Strategic ASSESSMENT

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

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Abstracts

The Iranian Economy: A Force Multiplier for Tehran
Moshe Efrat

Following two years of slowdown resulting from severe international sanctions, Iran's real economic growth was rejuvenated in 2014-15. Consequently, and thanks to its social welfare policy, the Iranian regime managed to prevent any significant erosion in the quality of life for most of the population, as well as any significant social unrest. Three main factors contributed to the economic turnaround and renewed real growth: the rise in total gross investment in the economy – thanks to a rise in private investment and despite the drop in public investment; the impressive rise in non-oil exports; and exploitation of the barter agreements, which ensured the major portion of import financing required for the economy and population. This development represented a strategic turning point for the regime, resulting in increased internal strength (social and economic) and the possibility of increased maneuverability in nuclear talks. As time passes, the economic factor bolsters, rather than weakens, Iran's ability to maneuver in negotiations.

Keywords: Iranian economy, sanctions, oil, nuclear negotiations, Rouhani

The Decisive Stage of Nuclear Talks with Iran: Will Diplomacy Deliver?
Matej Drotar

The Joint Plan of Action was codified with bells and whistles, and the nuclear negotiations between the P5+1 and Iran were subsequently granted yet another extension, culminating in a joint statement of principles toward a comprehensive agreement. At the end of the day, however, additional time might not prove to be a panacea. Since a variety of factors will very probably conspire to complicate what already is an excruciatingly thorny problem for Israel and the world alike, the lack of resolve might be detrimental as time goes by. It seems that the omnipresent media coverage concerning the number and level of sophistication of the centrifuges installed in Iran

deals only with the tip of the iceberg, and indeed, other issues should not be glossed over in a potential final agreement. Those who clamor for tougher stances and say that no deal is better than a bad deal might flex their muscles with a Republican-controlled US Congress. But the longer the postponements and extensions stretch out, the more likely something will go awry.

Keywords: Iran, P5+1, IAEA, JPOA, comprehensive agreement

The Final Nuclear Agreement with Iran: The Morning After
Ephraim Kam

The signing of a final agreement on Iran's nuclear program on the basis of the principles announced in early April 2015 will place Iran in a new situation. The pressure of the sanctions and the threat of a military operation will be lifted, and Iran will receive international recognition as a nuclear threshold nation having the option to break out toward nuclear weapons if and when it chooses to do so – this at a time when the United States already recognizes Iran's influence in Syria and Iraq and vis-à-vis ISIS. While after an agreement is signed Iran will presumably retain its goal to acquire nuclear weapons, it will likely not hurry to break out to the bomb. Instead it will opt to wait at least until the restrictions on its nuclear program are lifted, ten or fifteen years from now. This will severely damage Israel's ability to exert economic and military pressure on Iran. Therefore, Israel will have to channel its actions primarily through the United States by generating an understanding with the administration and Congress on the need to take strong steps against Iran should it violate the agreement, and certainly should it attempt to break out toward the bomb.

Keywords: Iran, nuclear agreement, nuclear threshold nation, United States

Formulating an Updated Strategy in the Face of Regional Upheavals: The Northern Arena as a Case Study
Udi Dekel and Omer Einav

Of all the challenges facing Israel in the region, the northern arena is particularly complex, due to various factors that for the most part relate to the turbulence in the Middle East. Israel's policy toward the Middle East turmoil based on "wait and see" stemmed from strategic insights that were appropriate until events began spilling over into Israeli territory

and strategic threats arose in the Golan Heights. In light of the new reality and in order to be ready for the future challenges, Israel must formulate an updated strategy and operational concept that differ from the familiar patterns and provide an appropriate response to developments in the region from a multilateral and multidisciplinary perspective.

Keywords: strategy, northern theater, Israel's security concept

Israeli Strategy for What Follows the Sykes-Picot Era
Ron Tira

This article analyzes the regional theater amid the reality of a fading Sykes-Picot system, particularly the state-based rationale and the borders delineated by the Sykes-Picot agreement, and proposes an Israeli strategy for this new environment. With the weakening of the state framework of many Arab countries, the new regional system now comprises four nation states, i.e., Israel, Egypt, Iran, and Turkey; southern monarchies fighting for their survival; and numerous non-state actors that are filling the vacuum left by the disintegrating states. The Arab-Israeli conflict – with the notable exception of the Palestinian component – has also ebbed, and the new fault line lies between the status quo actors and those that seek to forcibly impose nonconsensual changes in reality – Iran, and to a lesser extent Turkey and Qatar, the jihadists, and some of the Palestinians. Israel, as an actor with limited resources and few capabilities in the political engineering of third parties, must focus on a defensive "wall strategy." However, the new reality also enables unprecedented cooperation with regional players, including in the effort to contain Iran. Yet at the same time, Israel must build up its force for a possible direct confrontation with Iran.

Keywords: Sykes-Picot, Israel, Iran, United States, Egypt, Palestinians, Saudi Arabia

Cyber Jihad in the Service of the Islamic State (ISIS)
Adam Hoffman and Yoram Schweitzer

Cyber jihad plays a key role in ISIS strategy, and hence the urgent need to contend with the challenge that it poses to the international coalition fighting the terrorist organization. The use of cyberspace by ISIS has helped the organization brand itself in the global discourse as an entity that evokes terror, deters its enemies, and lures new supporters and operatives to its

ranks. The centrality of cyber jihad as a tool for recruitment, radicalization, and dissemination of propaganda makes the struggle against ISIS's use of cyberspace no less important than the physical engagement with its forces and the prevention of its geographic expansion. In order to confront the phenomenon of cyber jihad and stem the flow of foreign recruits to ISIS, closer collaboration should be formed with technology companies with the aim of curbing the cyber dimensions, while concurrently continuing the military campaign against ISIS.

Keywords: cyber jihad, Islamic State, ISIS, social media, Twitter

The National Intelligence Estimate Mechanism in Israel
Shmuel Even and David Siman-Tov

This essay examines the process by which intelligence estimates at the national level are prepared and presented in Israel. Unlike Israel, where every intelligence organization presents its own estimate to the government, the United States and the United Kingdom operate a single organization − appointed by the President or the Cabinet − that is responsible for formulating the national intelligence estimate. While such an umbrella organization is not recommended for Israel, Israel would do well to adopt some aspects of the estimate preparation processes in those nations, e.g., the systematic clarification of agreements and disagreements among the intelligence organizations before the estimates are presented to the government. In addition, absent an umbrella organization, the Military Intelligence Directorate in Israel should be left in charge of presenting national intelligence estimates, i.e., in charge of integration and the overall situation estimate. As such, the political echelon would be presented with a full and integrated intelligence estimate as well as a breakdown of the major issues and fundamental disagreements among the respective intelligence organizations.

Keywords: national security, intelligence, intelligence estimate, assessment, intelligence community, pluralism

Nagorno-Karabakh: The Frozen Conflict Awakens
Gallia Lindenstrauss

In the two decades following the signing of the 1994 ceasefire agreement, the conflict between Armenia and Azerbaijan over the Nagorno-Karabakh region was generally considered frozen. However, since 2014 there has

been an increase both in the number and severity of incidents between the sides, and there is serious cause for concern regarding a possible renewed outbreak of hostilities. This deterioration raises the question why to this day the sides have failed to resolve the conflict. Moreover, one could ask why the conflict mediators, primarily the Organization for Security and Cooperation in Europe (OSCE) Minsk Group and its three co-chairs − Russia, the United States, and France − have not yet succeeded in ending the conflict. Beyond a general interest in these specific questions and the lessons for the resolution of other conflicts, Israel has a particular interest in Azerbaijan because the latter is an ally in the struggle against Iran's drive for regional hegemony.

Keywords: Nagorno-Karabakh, Azerbaijan, Armenia, Russia, the Minsk Group

The Iranian Economy:
A Force Multiplier for Tehran

Moshe Efrat

Introduction

After over a year of nuclear talks in Geneva, Iran and the P5+1 did not manage to reach more than a limited interim agreement (Joint Plan of Action – JPOA), and therefore in November 2014 they agreed to extend the talks by six months, until June 30, 2015. On April 2, 2015, a joint statement was issued by the P5+1 toward a comprehensive agreement, to be concluded within three months. In the seven months following the second extension, $700 million per month will flow into Iran from newly unfrozen Iranian reserves in the West.

It is still not clear what the main motive was that led to Iran's willingness to engage in a serious dialogue with the world powers after a decade of fruitless discussions regarding its nuclear program. One possibility is the economic deterioration in 2012-13, and the concern that a continuation of the sanctions regime would exacerbate Iran's economic decline and lead to major social unrest, which could have endangered the existence of the regime itself. Alternatively, perhaps the explanation lies in the economic recovery of 2013-14 and, as estimated by the International Monetary Fund, the renewed real growth in 2014-15.[1] These developments create a new strategic situation that significantly augments Iran's ability to maneuver. Thus President Rouhani was able to express a readiness for improved relations with the West, while minimizing Tehran's willingness to make significant concessions in its nuclear program.

In any case, it is clear that Iran's economic-strategic policy derives first and foremost from the 24-article "resistance economy" plan dictated by

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Supreme Leader Khamenei in the summer of 2010 (following a ban on benzene exports to Iran). Khamenei and Rouhani have repeatedly emphasized their commitment to the implementation of this plan.[2] Therefore, according to sources from the major political factions (led by Majiles chairman Ali Larijani and Tehran Chamber of Commerce chairman Yahya Ale-Eshaq), in contrast to the common perception outside of Iran, the sanctions have caused only 20-30 percent of Iran's economic problems, with the vast majority of economic difficulties resulting from the zigzagging policies of former President Ahmadinejad.[3] Thus, the Rouhani government is now focused on spurring the economic recovery while spurning the Ahmadinejad "legacy." As the case may be, the resistance economy will continue even now to prioritize development of the various branches of the economy (other than the oil sector), and remain at the center of the Rouhani government's economic-strategic policy.

Iran's Massive Cumulative Losses Due to Sanctions

Over the years Iran has absorbed not only a direct economic loss of $200 billion since the sanctions were toughened in 2012.[4] Even more severe, the cessation of Western investment money prevented the development of Iran's tremendous gas and oil reserves over the last decade, with a consequent loss of revenue of $600 billion ($60 billion annually), and blocked an increase of annual oil output of 1 million barrels per day (25 percent).[5]

Each side – Iran and the P5+1, headed by the US – presented its version of the severe state of the deteriorating Iranian economy. The US presented a worse picture, whereby Iran was on the threshold of an economic catastrophe in 2012-13, reflected not only in the 6 percent drop in real GDP, but also in the sharp fall in the exchange rate of the Iranian currency, and in the 40 percent inflation rate. According to this assessment, Iran's situation was especially grave in light of the international financial siege, considering that it had access to only $20 billion (gold reserves) out of its $100 billion total of foreign currency and gold reserves.[6]

In the framework of the nuclear agreements, Iran was granted "benefits" of a declared total of $14 billion ($9.8 billion in 2014). Are all these benefits that will flow into Iran over a year/year-and-a-half in fact so significant for the Iranian economy? Did this measure totaling 3-4 percent of the Iranian budget actually represent such a significant down payment that it produced a strategic revolution in Iran's nuclear strategy? Not likely!

Ahmadinejad's Legacy: Better than Expected Macroeconomic Indicators

Do the bleak depictions accurately reflect Iran's macroeconomic state? The International Monetary Fund reports on Iran enable us to obtain a clearer picture. The economic sanctions on Iran were intensified in unprecedented manner in the period of March-July 2012 (the 2012-13 Iranian fiscal year), and they significantly harmed Iran's banking and financial ties, oil exports, and maritime transport and insurance. Yet despite the significant reduction in public investment, there was no drop in total gross annual investment, thanks to a significant rise in private investment.[7] Moreover, despite the drop in oil export revenues, there was an average budget deficit of less than 1 percent of GDP, and a significant surplus in the current account in the balance of payments.[8]

However, the Ahmadinejad government's prominent achievements were not limited to steps to encourage private sector activity (especially small business activity), but also included a determination to continue the reform of subsidies, wages, and social benefits, which prevented any significant erosion of quality of life for the popular classes, as well as a steadfast commitment to continue to grant unemployment benefits for extended periods (the longest in the world – up to 55 months). Furthermore, salaries were raised annually. President Rouhani has continued with this policy, and announced a salary increase of 17 percent for 2015 for all state employees.[9] In honor of the Persian new year (Nowruz), an annual $200 grant is provided to all workers throughout the country (meaning, an additional 5 percent annually for minimum wage earners).[10] This is in addition to a monthly grant of $25 per person as compensation for the reduction of subsidies. These cardinal steps not only prevented greater harm to the economy thanks to increased activity in the various sectors of the economy (other than the oil sector), but also prevented the outbreak of social unrest among the masses, which could not only have rattled the regime, but also have forced it into more significant concessions in the nuclear issue to achieve an end to sanctions.

This economic reality notwithstanding, Rouhani and his supporters emphasized the problematic economic state created by Ahmadinejad's policies, which caused the Iranian economy to suffer a significant real contraction worse than that experienced during Iran's long war with Iraq. Moreover, in their view, Ahmadinejad not only caused the real economic contraction of 2012-13, but also impoverished the country's treasury, which

was left with an amount that barely covered half the monthly salaries of state employees. Even worse, it was claimed that Ahmadinejad was responsible for a giant government debt of over $170 billion to the central bank and other banks, as well as a significant deficit in the balance of payments.[11]

Start of Recovery: Moderation of the Economic Contraction in 2013-14 and Renewed Real Growth in 2014-15

In two semi-annual reports issued by the IMF, both in 2012 and 2013 (before the commencement of nuclear talks in Geneva), the IMF estimated that a limited recovery in the Iranian economy would begin in 2013-14, thanks to a rise in total gross investment from 23.7 percent of GDP in 2012-13 to 25.7 percent of GDP in 2013-14.[12] This rise stemmed from the rise in private investment (including privatized companies, public and private corporations) under Ahmadinejad, and despite the drop in public investment (government investment financed from the state budget). This special development enabled the renewal of growth in the various sectors of the economy in 2013-14 (not including the gas and oil sector). This turnaround not only moderated the economic contraction to 1.9 percent of GDP in 2013-14 (versus 6.6 percent in 2012-13), but also served as a basis for renewed real growth of 3 percent in 2014-15.[13]

In contrast to the declarations by the Rouhani camp regarding the emptying of the treasury by Ahmadinejad, Iran not only had a low budget deficit (2.2 percent of GDP), but also – thanks to a rise in non-oil exports and a limited reduction of imports – experienced growth in the surplus in the balance of payments, up to $28 billion.[14]

After Two Years of Stronger Sanctions (March 21, 2012-March 20, 2014)

In practice, it has become clear that from an economic-strategic point of view – in contrast with the apocalyptic picture painted by both US authorities and President Rouhani and his supporters – that the Iranian economy has thus far managed not only to absorb, but even to blunt the consequences of some of the difficult problems that beset various layers of the economy and population. Thus, for example, the United States emphasized Iranian financial distress in its external economic ties, in light of the estimate that Iran could actually use only 20 percent of its foreign currency and gold reserves ($20 billion). This would seem to have been Iran's gold reserves in 2012, ignoring its constant efforts since then to acquire gold in various ways.

However, Iran imported some $13 billion worth of additional gold in the first half of 2013 through Turkey and the emirates.[15] Moreover, if Iran was actually capable of relying solely on its own limited gold reserves, how did the P5+1, including the US, agree to allow Iran to renew trade in gold in the framework of the "relief" granted it in the 2014 Geneva agreement? It has now become clear that over the last two years Iran has managed to ensure the financing of foreign imports without having to use the lion's share of its revenues from oil exports and/or its foreign currency and gold reserves.

Indeed, there was a significant decline in imports – by some 20 percent in 2012-13 and 2013-14 versus the situation prior to the institution of the sanctions – but the main reduction in imports stemmed from the sharp drop in luxury imports, and the significant reduction of benzene imports, which were limited by the sanctions, as well as the reinforcement of local manufacturing to replace imports. On the other hand, there was a significant rise in non-oil exports, which covered at least 90 percent of annual imports, both in 2013-14 and 11 months of 2014-15 (March 21, 2014-January 2015), with non-oil exports (comprising mainly gas, petrochemical products, and other merchandise) totaling $46 billion, versus imports of $48 billion.[16] Moreover, the various barter agreements enabled Iran not only to finance some of its imports (though at high price and/or low quality), but also served in practice to finance various development projects within Iran costing billions of dollars, undertaken by Chinese, Japanese, and Indian companies.[17]

The Economic Benefits Granted Iran in the Wake of Nuclear Talks

As far as the results of sanctions relief, especially regarding trade, maritime transport, and cargo insurance, the following major developments are worth noting:

a. In 2014, there was an increase of at least 20 percent in export of Iranian oil to Asian importers – China, Indian, South Korea, and Japan – which contributed additional revenue of some $10 billion.[18]

b. There was a significant increase in petrochemical exports, which brought at least $9 billion into Iran.[19]

c. Import of vehicle parts enabled the vehicle industry, extremely important to Iran (contributing 10 percent of GDP), and which formerly employed 700,000 workers, to emerge from the deep crisis it had fallen into. In 2014-15, not only did automobile production increase by 50 percent, but

at least 200,000 workers were reemployed, some 30 percent of whom were laid off in the wake of sanctions.[20]

d. The permissibility of importing various metals, especially iron and steel, helped the industrial sector escape its crisis after having been hit hard by sanctions. The result was a rise in the industrial production index of 7 percent in the first half of 2014-15, versus a drop in the index on average of 7 percent annually for the years 2012-13 and 2013-14.[21]

e. As a rule, the economy's recovery enabled Iran to significantly increase its use of its trade surpluses at its disposal, mainly in various Asian countries in the framework of the various barter agreements – for both increasing imports and financing the execution of various development projects. Thus, for example, according to Chinese sources, Iranian imports from China in 2014 totaled over $24 billion, a rise of more than 80 percent versus imports in 2013.[22]

f. Especially bewildering is the agreement of the Western powers to allow the import of gold, which enables Iran not only to convert to gold some of its surplus monies accumulated abroad, but also to increase its gold reserves as much as possible. These reserves enable Iran to finance some of its imports while bypassing many obstacles hindering Iranian financial activities, which prevent Iran from using its dollar and/or euro deposits. In actuality, the real value of all benefits stemming from relief of the sanctions totaled $30 million in 2014 (a total equivalent to a rise of one third in overall annual Iranian exports). In other words, these benefits are at least three times larger than the Western assessments declared upon signing of the Geneva agreement in November 2013. And this is even ignoring the release in 2014 of over $4 billion of Iranian reserves frozen in the West.[23] Moreover, the benefits helped improve the economic state of affairs under the Rouhani regime.

It should be noted that since 2012, in all their reports on the economy of the Middle East, the IMF and World Bank have assessed and reassessed that the sanctions would cause significant shocks to the Iranian economy, which would suffer a real economic retreat both in 2012-13 and 2013-14. However, in contrast, later reports (including the most recent,

> Notwithstanding severe economic sanctions, Iran has managed over the last two years not only to overcome the tremendous difficulties that its economy faced, but also to prevent an outbreak of severe social ferment that could have hurt the regime and threatened its very existence.

from October 2014 and January 2015) have emphasized that real economic growth will nevertheless be renewed in 2014-15.[24]

Two IMF Scenarios for the Years 2014-15 and 2015-16

In April 2014 (prior to the sharp drop in oil prices in 2015), the IMF examined the macroeconomic development expected for Iran in two different scenarios covering the period from March 21, 2014 to March 2016: a continued sanctions regime as applied prior to the November 2013 Geneva agreement, and gradual removal of sanctions pursuant to the relief already granted Iran since the November 2013 agreement.[25]

The following are the findings, in brief, of the IMF's macroeconomic assessment for a continued sanctions regime on the one hand, and for a situation involving removal of sanctions on the other, for the years 2014-15 and 2015-16:

a. GDP will grow 2-3 percent per year on average.
b. Inflation will be at a rate of 20-23 percent (similar to its current rate).
c. The budget deficit will not be higher than 2.5 percent of GDP (similar to deficit size in many countries throughout the world).
d. There will be an annual surplus of at least $15 billion in the current account in the balance of payments.

On a fundamental level – from an economic-strategic perspective – there is no significant difference between these two scenarios for a country like Iran that has been so devoted to its nuclear policy despite the tremendous economic losses it has caused over the years. The economic improvement on the one hand, and the conclusions of the IMF scenarios for the next two years on the other, significantly increase Iran's ability to maneuver, and allow it to drag its feet in nuclear talks, even in the currently planned talks.

Furthermore, it is doubtful whether the sharp drop in oil prices in 2015 will induce Iran to agree to significant nuclear concessions, as its total revenues from non-oil exports will be able to finance its annual imports (in 2014-15, non-oil exports financed over 90 percent of total annual imports).[26] Moreover, should it need to, Iran can overcome problems financing additional imports by using at least some of the trade balances at its disposal in various countries in the framework of its barter agreements with them.

> From a strategic perspective and as opposed to Western assessments, as time passes, the economic factor bolsters, rather than weakens, Iran's ability to maneuver in the nuclear negotiations.

Main Strategic Consequences and Outcomes

Thus notwithstanding severe economic sanctions, Iran has managed over the last two years not only to overcome the tremendous economic difficulties that its economy faced, but also to prevent an outbreak of severe social ferment that could have hurt the regime and threatened its very existence. Moreover, despite Ahmadinejad's failing economic policy, which caused a tremendous waste of national resources, the regime succeeded in taking a variety of steps enabling renewed real economic growth at least for the next two years. Furthermore, the January 2015 IMF forecast for Iran's economy signals that in nearly all major economic indicators, there will be significant improvement in comparison with its April 2014 assessment.

This expected development reflects a strategic turning point for the regime, which will not only be stronger internally – economically and socially – but also have greater room to maneuver on a political-strategic level in nuclear talks. This strategic turnaround allows the regime to retain its foot-dragging policy in nuclear talks, which will enable it to keep under its control significantly more nuclear assets than the P5+1 anticipate allowing it. In other words, from a strategic perspective, and in opposition to Western assessments, as time passes, the economic factor bolsters, rather than weakens, Iranian ability to maneuver in the nuclear negotiations.

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The Decisive Stage of Nuclear Talks with Iran: Will Diplomacy Deliver?

Matej Drotar

Reality Check

The second target date for concluding a comprehensive deal between the P5+1 and Iran was postponed yet again, and following the November 2014 failure to formulate an agreement, the new date agreed on was June 30, 2015. April 2, 2015 saw the announcement in Lausanne of a framework for a comprehensive agreement, with three months to sign the deal. Underlying the difficulty in shaking hands and finalizing the deal, however, is a clash of strategic goals between the negotiating sides, namely: attaining vs. preventing Iran from attaining military nuclear capability.[1]

Iran's intransigence regarding a comprehensive agreement can be pinpointed more precisely in the February 2015 report by the IAEA Director-General to the organization's Board of Governors regarding, inter alia, the implementation of measures under the Joint Statement on a Framework for Cooperation, and more importantly, under the Joint Plan of Action (JPOA). Some crucial findings of this safeguards report should be scrutinized in order to better understand what the current status is of Iran's pledge to cooperate. Some would argue that one of the most tangible achievements since the JPOA took effect, acknowledged by the report itself, is the fact that Iran has not enriched uranium hexafluoride (UF_6) above 5 percent U-235 at any of its declared enrichment facilities. Another major development deals with the IR-40 heavy water reactor in Arak. According to the report, no additional major components have been installed at the IR-40 reactor and there has been no manufacture and testing of fuel for the reactor.[2]

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But these achievements, if noble and to some extent reflecting the art of the possible, are liable to ring hollow in the long run – not only because the process of enrichment is still ongoing in Iran and the reactor in Arak was not dismantled as demanded by Israel, but mainly because of some other key findings stressed by the report.

The first is the number and level of sophistication of the centrifuges and Iran's potential desire to lower the maximum separative power of its cascades, in other words its enrichment capacity, in order to keep more of them in place and operational mode. The second is the production of near 20 percent uranium oxide concentrate and the risk of its potential reprocessing back to UF6 which can be used for further enrichment and finally weaponized. Last but not least is the issue of the possible military dimensions of Iran's nuclear program, which remains unknown due to Iran's reticence in this regard, a true riddle wrapped in a mystery. All these disturbing issues bear discussion and are therefore more broadly addressed in the next section.

Technical Conundrums

Imposing crippling limitations on the number and level of sophistication of the centrifuges already installed in Iran should be an issue of utmost importance as the talks proceed. As of this writing, Iran is believed to operate approximately 10,000 IR-1 centrifuges out of a total of almost 18,000 centrifuges installed at the Natanz Fuel Enrichment Plant, Pilot Fuel Enrichment Plant, and Fordow Fuel Enrichment Plant.[3] In theory, an average enrichment capacity of the IR-1 centrifuge should oscillate between 0.7-1 separative work unit (SWU) per year. Given the number of the IR-1 centrifuges already installed and operating in Iran, the estimated cumulative enrichment capacity of all such equipped cascades should be approximately 7,000-10,000 SWU per year. Since Iran has until now observed the limitations concerning the level of enrichment as stated in the JPOA – not to enrich above 5 percent U-235 – at least officially, it would take about 1,500 SWU to produce a weapon-equivalent of 90 percent enriched uranium from such low enriched uranium. Therefore, the length of time that would be required to do this with the currently operating 10,000 IR-1 centrifuges and with their cumulative enrichment output of 7,000-10,000 SWU per year is three to four months.[4] This "overt breakout" is a strategic trap, for it offers the most probable pathway to nuclear military capability if Iran decides not to cooperate and expel IAEA inspectors in the future. Put

differently, since the P5+1 is not seeking to eliminate any Iranian breakout capability, but merely to constrain the time in which it will become aware of such breakout capability, an adequate time framework for the international community to mobilize, act, and avert contagious proliferation in the region is of strategic importance and should be at least a year, if not more.

Iran, however, has another path to pursue further enrichment and ultimately acquire nuclear military capability. This option, called "covert breakout," should not be underestimated. In this scenario, more efficient centrifuges, especially IR-2m, IR-4, IR-5, and IR-6, would potentially be in play. The longer Iran is permitted to conduct research and development activities on advanced centrifuges, the smaller a clandestine enrichment facility is needed, thus lowering the probability of detection.[5]

Another strategic and probably not sufficiently stressed challenge for the future of the nuclear negotiations is the size of Iran's stock of near 20 percent enriched uranium that is kept in the form of oxide powder, in other words, uranium mass. Theory has it that such uranium oxide concentrate shall undergo a series of processes so it can produce a usable fuel and finally be used in a nuclear reactor in order to generate electricity.[6] So far, so good. The missed point, however, is the following: since Iran began conversion at its declared facilities, it has fed into the process line at the Fuel Plate Fabrication Plant at Esfahan 337.2 kilograms of UF_6 enriched up to 20 percent U-235 and produced 162.8 kilograms of near 20 percent enriched uranium in the form of oxide powder, or uranium mass, but only some of it has been used to produce fuel for the Tehran Research Reactor. In fact, if such chemical form of enriched uranium is not irradiated in the reactor, it can be returned to its previous gaseous form, or UF_6, and finally enriched further toward weapons grade.[7] It might be somewhat satisfying that such an amount would probably not be sufficient to fuel more than one nuclear weapon, but the fact is that Iran's ongoing latent possession of near 20 percent enriched uranium, be it in the form of oxide concentrate, is anything but a false alarm.

As for the last technical issue addressed in this chapter, based on previous experience, the probability of having the military aspects of Iran's nuclear program cleared and sufficiently answered by Iran is rather low. Not only have Iranian officials reportedly dismissed IAEA requests to interview those suspected of involvement in various fields of this vital issue, but Iran continues to deny the IAEA access to the Parchin military complex, where testing on nuclear detonators is believed to have occurred. Based

on satellite images and intelligence data, Iran, in addition to stonewalling investigators, has repeatedly made some substantial changes to the facility and to the surrounding grounds.[8]

Since uranium enrichment and the possible military dimensions are interfacing elements, it would be a strategic mistake to sidestep the latter at expense of the former in a potential comprehensive agreement. For that reason the Parchin military complex represents a key problem to the IAEA in resolving its concerns about Iran's past and allegedly ongoing nuclear weapons-related activities. More broadly, for there to be a final deal, confidence building measures should be established between the negotiating sides. Without addressing allegations of Iran's work on nuclear weapons-related issues such as nuclear warhead design; explosive tests; and calculations related to neutron transport and their application to compressed materials, the P5+1 cannot and will not be able to construct an adequate verification regime capable of detecting illicit activities at Iran's clandestine military sites.[9]

If regional hegemony based on nuclear power is Iran's strategic objective, then its research in the field of ballistic missiles, which is intrinsically linked with the possible military dimensions of Iran's nuclear program, is a means to reach such a goal on a tactical level. A massive arsenal of ballistic missiles in Iran's possession presents a clear danger not only to Israel, but to Western targets in the region at large, as well as to Arab sheikdoms. Due to Iran's current military posture, as well as historical reasons and ideological outlooks, the country is unable to acquire spare parts for its predominantly Western military hardware. Thus, in order to compensate for lagging behind in conventional warfare, Iran has chosen to focus on a gradual but methodical expansion of its ballistic missile arsenal as well as on its asymmetric warfare capabilities.[10]

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That Iran's ballistic missile program is not receiving the same level of international scrutiny as its nuclear program is a matter of fact. But the opposite should be true. Going nuclear and going ballistic at the same time provides a certain level of intimidation that Iran can use both to heighten the power and to deter conventional responses to its asymmetric capabilities. Here advanced delivery systems are of particular concern. Those that are deployed or

have reached final development include the storable liquid fueled set of Shahab missiles with the range exceeding 2,000 kilometers, thus easily reaching Israeli soil.

Based on the real world operation accuracy of such systems, most or all conventional warheads cannot be used against any point target. But if replaced with nuclear warheads the potential lethality of such missiles would cease to depend on precise targeting. Quite the opposite: sheer chance would suffice to cause enormous damage. In such a scenario Israel might find it extremely difficult to use its proficiency in airpower and multi-layered air defense system to suppress a successful random hit.[11] That is the reason why the umbilical linkage between nuclear and ballistic issues should somehow be reflected in the current talks and a final deal.

Great Debate

Notwithstanding the crucial role the technicalities play in the negotiations, it seems that Iran's nuclear program is also about different perceptions of the margins of threat between Israel and the United States, the leading power of the P5+1. It would probably be quite irresponsible to call it a pure hawkish vs. dovish approach disagreement. But it might be useful to recall the main tenets of the first Great International Relations Theory Debate in order to understand where the Israeli and the US establishments stand now and where they differ; that they differ is matter of fact.

Many international relations scholars would agree that the First Great International Relations Theory Debate is mainly about national interest and international cooperation as the basic notions of the two camps. While some might think that power assures survival and strength boosts safety, others might trust more in cooperation and multilateralism.

It seems that the Obama administration, and more specifically the US State Department, is at least aware of this cleavage since its approach during the talks is based on cooperation, inclusiveness, and partnerships, and almost excludes unilateralism. Indeed, the US establishment deems the best way to resolve the nuclear crisis is diplomacy, i.e., through a comprehensive and durable agreement that all parties can agree to. And that is not just because diplomacy is the preferred course, but because it is also the most effective course.[12] Make no mistake, the strategic objective of the US is to halt Iran's ambitions to become a nuclear state, but what divides the US perspective from the Israeli one is how to do so. According to the US administration, achieving a lasting diplomatic solution would help

preserve international unity.[13] In addition, in return for Iran's commitment to place meaningful limits on its nuclear program, the P5+1 committed to provide Iran with limited, targeted, and reversible sanctions relief, with the US government retaining the authority to revoke this limited sanctions relief at any time if Iran fails to meet its commitments under the JPOA.[14] Put differently, in order to reach the goal, the US is prepared to offer incentives and concessions in exchange for cooperation, and preserve the regional balance in the Middle East. This, however, converges with the Israeli, and for that matter more realistic, perspective of the whole issue. For Israel, any comprehensive agreement that would allow uranium enrichment based on centrifuges, regardless of the number of the centrifuges already installed in Iran, keeping the IR-40 heavy water reactor in Arak – a pathway to a nuclear device based on production of plutonium – untouched, as well as omitting the possible military dimensions from the negotiations is a bad deal.

Many argue that absent Israel's international lobbying, its preparedness to present a credible military option, and intelligence gathering, Iran would probably have obtained nuclear weapons several years ago. Since Israel is the party most directly threatened by Iran's nuclear program, Israel adopted its position a long time ago and appears to remain resolutely opposed to Iran's nuclear ambitions. The US seems less adamant in its opposition, and here lies the strategic difference in the worldviews of Israel and the US regarding the vital aspects of the talks, namely: enrichment and breakout. Put succinctly, while the US deems a nuclear-threshold Iran a viable option in exchange for bringing Iran on board to efforts to stabilize the Middle East, Israel sees any threshold status of Iran as a strategic or even existential threat from the long run perspective.[15] However, a certain divergence or gradual alienation of interests between the two strategic partners is not completely new and has a limited, if very sober, track record. This time the basic difference stems from the fact that the US, unlike Israel, does not feel that its homeland security is threatened by Iran. Moreover, given the trauma the US troops suffered in Iraq and Afghanistan, it is scant wonder that the incumbent administration does not feel that another US military engagement is a workable option. Thus, a nuclear Iran might at the end of the day bother the US allies in the region, especially Egypt and

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some Arab monarchies, and may even be regarded as an existential threat by Israel, but unless the United States feels a nuclear Iran is a threat for its domestic stability, it would very probably reject the perception of it as an imminent and concrete danger.[16] Understanding this crucial reality as well as the implications of the First Great International Relations Theory Debate might reveal the rationale behind the current dynamics of the nuclear talks.

While it may be true that Israel's maximalist positions on the issue might have been overshadowed by the political and media urgency that the so-called Islamic State – ISIS – threat commanded, it is not in Israel's best interest to shy away from expressing its view on the global arena, let alone acquiesce to any final agreement that will have implications not only for Israel, but for the region and for global security.[17]

In fact, Israel's likely best ally in the current situation might be the incumbent US Congress and especially the US Senate Committee on Foreign Relations, insofar as it shares much of Israel's perspective on Iran's nuclear program developments. According to the committee, Iran has violated the spirit of the JPOA on several occasions, first and foremost by feeding UF6 gas into IR-5 centrifuges installed at the Pilot Fuel Enrichment Plant at Natanz. The argument that the IR-5 centrifuge had not previously been fed with UF6, and thus no violation of the JPOA has been committed, is itself worthy of ridicule. Under the JPOA Iran's centrifuge enrichment program is supposed to be frozen and no further advancements at the pilot plant shall occur.[18] Moreover, in December 2014, the UN panel of experts that monitor sanctions compliance said in a report that Iran has been illicitly trying to buy technology for the IR-40 reactor in Arak, which, as originally designed, would serve as a plutonium track facility and has been referred to by experts as a bomb-making factory because of the quantity of plutonium output. Since under the interim agreement Iran agreed to make no further advances in the construction at Arak, this revelation is extremely disturbing. All these acts are clearly considered to be provocative by the committee and contravene the spirit of the interim deal. No wonder that the US Congress would like to play more important role in the whole process and give its own approval of a final deal, should there be one.[19] It is therefore incumbent on Israel to use all the diplomatic and political tools at its disposal to cooperate with Congress if it seeks to halt the signing of an accord that is not in its best interest.

Strategic Options

The schism between Israel and the US concerning the negotiations about Iran's nuclear program is but part of a broader picture and may thus result in different actions on the ground. In his speech before a joint session of Congress in March 2015, Prime Minister Netanyahu revealed two significant gaps in the US and Israeli approaches not only to Iran but to the entire Middle East. First, the question of priorities is answered differently on both sides. While for Israel a common approach to Iran's breakout capability would be a priority, the US would prefer to focus on defeating ISIS and treat Iran as a subsumed problem of a broader picture. Second, Israeli intelligence services warn that the time necessary for the creation of an Iranian nuclear device would be less than the year estimated by the P5+1.[20]

The Prime Minister's speech before the US legislative body suggests that the threat perception of Israel and the US with regard to Iran's nuclear program is not the same. Moreover, support for Hizbollah by a nuclear-based Iran might mean the advent of yet another strategic debate, a debate that would praise the necessity of interoperability within and beyond IDF, as well as an adequate balance between offensive and defensive capabilities, including hybrid ones. In other words, the greater the probability of a nuclear Iran, the greater the chance for asymmetric Hizbollah strikes against Israel and its targets, for Hizbollah is a serious opponent that appears in the middle of the range of military operations. Thus, an IDF exclusive focus on either low intensity conflict warfare or high intensity conflict warfare might prove irresponsible and dangerous. The IDF should be capable of combined joint arms fire and ground maneuver in order to address the so called "full spectrum rainbow of conflict." Hybrid capabilities should also encompass intelligence-surveillance-reconnaissance platforms heavily based on UAVs, including INFOOPS and PSYOPS. Last but not least, the importance of conventional forces based on tanks, infantry fighting vehicles, and the incorporation of close air support should not be underestimated either.

Thus, the ideal course of action Israel should undertake includes enhancing the inner debate about military planning. On the political and strategic level two types of planning come into play: future-oriented advance planning and ad hoc crisis response planning. With regard to Iran's nuclear program Israel should focus on advance planning and never underestimate crisis response planning. Given the time of austerity and limited resources Israel should also continue to pay attention to interoperability within its own forces and beyond. Combined joint exercises among units, branches,

and even countries is probably the best way to achieve at least minimal level of interoperability with NATO armies. Israel should therefore build on its experience of combined joint exercises and intelligence data fusion with NATO countries. For instance, practicing different complex air-to-air scenarios, with a combination of aerial refueling, protecting strategic assets, and dealing with unexpected threats in the sky might improve the ability of the Israel Air Force to speak the same flight language with their Western counterparts in the case of necessity. Given the difficulty of predicting the future, Israel should also maintain the high level of flexibility and adaptability of its forces. Bearing in mind that the P5+1 will very likely continue to regard the negotiations track and economic sanctions as the most viable option of dealing with Iran, with other coercive measures constituting – at least for the time being – a red line not to crossed, Israel should pursue more intensive lobbying and improve the presentation of its case.

Conclusion

While the nuclear negotiations between the P5+1 and Iran have demonstrated enormous complexity, for Israel, the strategic implications are quite straightforward. Provided a deal is reached by June 30, 2015, particularly a deal ignoring some crucial aspects mentioned above, Israel is on its own and should probably start rethinking its military posture and adjusting its strategic doctrine. If another extension takes place, Israel and the world should be prepared for the second longest set of negotiations without producing a fruitful settlement, second only to the Middle East peace process. Since Israel and the US as the leading power of the P5+1 do not share the common threat perception with regard to a nuclear Iran, it should be in Israel's best interest to focus on boosting regional partnerships with other NATO countries and not give up political pressure in various international forums.

Ignoring Iran's historical marginality in the Middle East might be a strategic failure of the West. However, the ongoing victimization of the Iranians and constant concessions to their vision of a final deal is strategic charlatanism. Since Iran is playing an asymmetric game for time, this stage is vital and the voice of Israel should be heard. Should there or should there not be a deal, Iran would very probably remain a latent nuclear power able to enrich uranium. Regional consequences that such a scenario would have are now uncertain. But it seems that in order to salvage the global nonproliferation regime and adopt a right final deal, a lot more

diplomatic resolve will be required. Israel would do well to engage in this fervent diplomatic activity at this point of time, lest the world faces a new a strategic abyss.

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The Final Nuclear Agreement with Iran: The Morning After

Ephraim Kam

Introduction

The framework agreement announced by Iran and the six world powers on April 2, 2015 is still not the final document; since the announcement both parties have presented different versions of the understandings. The details of the final binding agreement are to be discussed among the sides, and there is no doubt that the talks will run into severe difficulties and disputes, partly because of the opposition of important factions to the agreement in the making. But in light of the enthusiasm of the two leaderships to reach a deal and the detailed parameters agreed upon, there is considerable likelihood that these snags will not prevent attainment of a final agreement. A significant part of the work has already been done and the majority of the obstacles have been removed. Presumably the final agreement, if concluded, will not radically diverge from the framework of parameters already achieved.

Some of the parameters formulated that have important implications for Iran's future conduct include:

a. In some aspects, the Iranian nuclear program will be stopped for 10-15 years – some components of the program will actually be rolled back – and some significant restrictions will be in effect during that period of time. Iran will be allowed to operate some 5,000 first-generation centrifuges, about half of the centrifuges currently in use. The remaining centrifuges will not be destroyed but will be closely supervised over the next 10 years. The stockpile of low grade enriched uranium will be significantly curtailed and reduced from 10,000 kg, enough for seven-eight nuclear bombs if further enriched, to only 300 kg, yet so far there

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is no agreement as to the future of the rest of the stockpile. If kept at that level, such an amount would make it difficult for Iran to break out to nuclear weapons in a short time. In addition, Iran will not be allowed to build new enrichment sites, enrich uranium beyond the level of about 3 percent, and operate advanced centrifuges during this period of time.

b. The program will be under unprecedented supervision for many years, and will include Iran signing the IAEA Additional Protocol, which will impose on Iran more intrusive and comprehensive supervision than in the past, though not entirely foolproof. So far, however, there is no full agreement regarding components of the inspection.

c. The purposes of the enrichment facility in Fordow and the heavy water reactor in Arak will change: Fordow will not enrich uranium for 15 years, and the Arak reactor will produce a much lower amount of plutonium.

d. On the other hand, after 10-15 years, significant parts of the restrictions on Iran will be lifted and it will be able to develop a large enrichment program, including with the use of advanced centrifuges, whose development from the outset is not restricted. Moreover, because no nuclear facility will be closed and because the idle centrifuges will not be destroyed, Iran will be able to use them in the future should it decide to break out toward nuclear weapons.

e. The verification system is also liable to be fraught with loopholes. So far the Iranians have avoided presenting the information required by the IAEA about the possible military aspects of their nuclear program, and they have refused to allow IAEA inspectors into the suspicious facility in Parchin, saying it is a military installation with no connection to anything nuclear. In light of this, the Director-General of the IAEA has stated repeatedly that he cannot determine that Iran is not working on nuclear weapons. It is unclear whether the supervision imposed on Iran will force it to change its conduct in this regard.

f. According to Iran's demand, the nation's ballistic missile system is not covered by the agreement and the country is free to continue its development.

g. If Iran meets its obligations, all sanctions connected to the Iranian nuclear program will be lifted, though at what pace is still unclear.

Based on these principles, the essay below seeks to assess possible developments after the signing of a final agreement, in terms of the conduct of Iran, the United States, and the region's nations, as well as the implications for Israel.[1]

Iranian Policy

The key to what happens after the signing of the agreement will be Iran's conduct, which will, to a large extent, determine future trends related to the nuclear issue, the severity of the threat to the region, including Israel, and the nature of Iran-US relations. It will also affect Iran's status in the Middle East.

The starting question on Iran's policy after the agreement is signed is: will Iran continue to work to attain nuclear weapons, or will it be content to remain an acknowledged nuclear threshold state, as the agreement ensures? At this stage, there is no hard evidence that can enlighten Iran's future nuclear policy, since it has denied any intention to develop nuclear weapons. It is also possible that the Iranians themselves have postponed the decision to some future date. It is therefore only possible to try to assess the policy Iran may adopt on the question, making it necessary to reexamine the assessment frequently in light of information that will come to light as time passes.

That said, there should be no doubt that Iran is intent on acquiring nuclear weapons. Iran's strategic outlook, the vast effort it has invested in developing its nuclear program since 1987, and the steep economic and political toll it has paid to advance it have no other explanation than Iran's desire to possess the bomb. Three reasons apparently drive Iran's nuclear ambition: to deter enemies with strategic military capabilities, which in the past was Iraq but is today the United States and Israel; to promote its desire for regional hegemony; and to acquire prestige so as to strengthen the internal status of the Islamic regime.

The agreement to be signed between Iran and the six world powers will acknowledge Iran as a nuclear threshold state, i.e., a state possessing most nuclear fuel components, an advanced scientific-technological infrastructure, a store of fissile material (or at least a large amount of enriched uranium that can rapidly be turned into fissile material), and the ability to turn the fissile material into a bomb and outfit it with a delivery system. The only remaining element necessary to cross that threshold is the strategic decision to break out to the bomb.[2]

Recognition as a nuclear threshold state will not provide Iran with the same advantages of a full nuclear state, but will still give it added weight. It will not provide immediate deterrence against an enemy, but if the threat is not immediate, Iran will be in no hurry, knowing it can break out to the bomb within a year or less. Moreover, because of current circumstances, the

risk of a military strike – whether US or Israeli – seems low, and therefore the need to deter the enemy with nuclear arms is not urgent. At the same time, being acknowledged as a nuclear threshold state provides Iran with no small portion of what it needs to attain regional hegemony and strengthen the regime's domestic position, because it entails international recognition of Iran's technological ability to acquire the bomb on short notice.

Hence the more probable outcome is that Iran, with its status already bolstered as a nuclear threshold state, will not violate the agreement flagrantly and hurry to break out. An Iranian attempted breakout is liable to generate severe repercussions: the imposition of even harsher sanctions than those currently in place, perhaps a military strike, and the loss of all advantages of the agreement. One may assume that the US administration will make this explicitly clear to the Iranians. In addition, after 10-15 years the restrictions on Iran's nuclear program will be lifted and its freedom of action in the nuclear sphere will be greatly expanded. It would therefore be preferable to Iran to wait until the restrictions are lifted and only then consider breaking out to the bomb. The timing will be more convenient, although presumably the US will make it clear that Iran will be punished severely should it try to break out even after the restrictions are lifted.

This means that Iran will not give up its dream of possessing nuclear weapons, but will in all likelihood opt to postpone its fulfillment to a more convenient time: after the restrictions are lifted, and when its nuclear capabilities will be much greater and perhaps more difficult to inspect. Still, Iran is liable to break out sooner, especially if it faces a new strategic threat that would force it to hurry to build an immediate nuclear deterrent or if it estimates that circumstances have created an opportunity for it to break out without having to pay a significant penalty. If Iran does decide to break out at any point, it is less likely to do so using the already known facilities, and is more likely to attempt to break out at a small, secret enrichment facility, where the breakout attempt would be discovered much later, if at all.[3] At the same time, even if Iran remains at the nuclear threshold without crossing it, it will use the interim period to improve its nuclear capabilities and train manpower; it will also be able to upgrade the centrifuges it is developing; and it will advance its missile program – on which there are no restrictions – so that if and when it decides

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to break out to nuclear weapons it will be a more comprehensive move and on a shorter timetable. Even if Iran keeps the agreement, it is liable to exploit loopholes and ambiguities to advance its nuclear capabilities.

The fact that the agreement leaves Iran as a nuclear threshold nation will apparently force the United States to clarify ahead of time the countermoves it will take should Iran violate the agreement, and certainly if it transpires that Iran is breaking out to the bomb. This clarification is necessary both to deter Iran and to placate US allies, first and foremost Israel. But one year is liable to be insufficient for stopping an Iranian move, taking into consideration the time needed to identify the steps Iran has taken, prove they did in fact happen, understand their implications, have the intelligence communities arrive at a shared understanding, and decide together with other governments what countermoves must be taken.[4] Indeed, in the first decade of the 21st century, Iran built two critical enrichment facilities covertly, in Natanz and Fordow; they were discovered only a significant period of time after construction started. Furthermore, the years it took to impose severe sanctions against Iran and the conduct of the US administration in the context of a military strike against the Assad regime in Syria after the latter employed chemical weapons against its own citizens demonstrate that early countermoves are not a foregone conclusion.

The Obama administration has publicly rejected a policy of containment and is committed to prevent Iran from obtaining nuclear arms. The current administration will likely uphold its commitment, in order to avoid undermining the trust of Israel and the Gulf states, and it will be eager to prove it was right to pursue an agreement with Iran and avoid pressure from Congress. However, certain factions in the United States and Europe feel that the administration should adopt a policy of containment rather than one of prevention. The next US presidential election is scheduled for the fall of 2016, by which time other policies might be pursued. The possible adoption of a policy of containment with new concessions to Iran and the existing acknowledgment of Iran's nuclear threshold status might make it easier for Iran to decide to break out to the bomb.

US-Iranian Relations

Since the second half of 2013, there has been an ongoing dialogue between the United States and Iran on the nuclear issue. While the two countries had some sporadic contact and engaged in limited cooperation in the past (such as in the Iran-gate affair, when the United States supplied a small amount

of arms to Iran in the mid-1980s during the Iran-Iraq War, and before the US invasion of Afghanistan in late 2001), these were of a circumscribed scope and short duration, leaving no lasting imprint on bilateral relations. This time the dialogue is intensive and under public scrutiny, conducted at the foreign minister level and with both Presidents interested in its upgrade: President Rouhani telephoned President Obama in late 2013, and President Obama sent a series of letters to Supreme Leader Khamenei, at least one of which was answered.

Moreover, the shockwaves in the Arab world of recent years created shared interests between the two nations. Both would like to stabilize Iraq and Syria, and in particular, both are eager to eradicate the threat ISIS poses to many nations and regional stability. The difficulty in dealing with this instability lay behind the US administration's acknowledgment that Iran plays an important role in Iraq and Syria and that it could act as a stabilizing agent in the region. Consequently, since mid-2014, the administration has been signaling the Iranian government that if it adopts a constructive approach, and especially if an agreement is reached on the nuclear issue, it will be possible to construct a system of mutual cooperation on regional issues, first and foremost stabilizing failing states and confronting jihadist organizations. The US administration's tentative forays have so far generated limited and indirect coordination with Iran on aerial attacks in Iraq, as at this stage both sides are careful not to venture too far in cooperation, both because of mutual distrust and because of their clashing interests.

However, the possibility for cooperation between the US administration and the Iranian government seems limited, even if an agreement is reached. One reason is an Iranian internal struggle. From the outset, the negotiations on the nuclear issue were attended by deep divisions within the most senior Iranian leadership. President Rouhani and Foreign Minister Zarif seem to be willing to show greater flexibility than others on the issues at hand, based on their understanding that reaching an agreement is critical for lifting the sanctions, which is a key to improving the nation's economic situation. By contrast, owing to its distrust of US intentions, the more radical branch of the regime – the radical religious establishment, the command structure of the Revolutionary Guards, and some member of parliament – demands that only limited concessions be made,. So far, Supreme Leader Khamenei has supported the talks and backed Rouhani, apparently understanding that improving the economy is critical to Iran's interests, including the suppression of domestic ferment, and that it is impossible to have the

sanctions lifted without making some concessions. But Khamenei, deeply suspicious of the United States, occasionally warns of American motives, and from time to time has drawn red lines in the negotiations.

One may assume that if an agreement is reached, the Iranian hierarchy will be divided over future policy. An agreement could strengthen Rouhani's domestic standing as the one in charge of the nuclear talks and thus also responsible for the sanctions being lifted. From the start, Rouhani wanted to engage in dialogue with the United States, including direct contact with the US President, and was therefore subject to criticism by the radical camp at home. Obtaining the agreement would validate his policy and could strengthen the reformist camp, so that Rouhani could attempt to expand the dialogue with the US to include regional issues. He will also want to expand ties to draw US investments to Iran and improve the country's economy. At the same time, however, the radical camp could be emboldened, because a strengthened economy would free it of concern about a popular uprising. The radical camp, which sees the United States as its own and Iran's biggest enemy, will try to prevent any meaningful dialogue with it, believing that such a dialogue would undermine the foundation of the Islamic Revolution in Iran. Moreover, the radical camp can be expected to see the agreement as the basis for Rouhani's enhanced position, which is already viewed as a threat to the status of the radicals. In this struggle, Khamenei can be expected to rule that while the nuclear agreement is an important means to lift the sanctions, closer ties with the United States must not be forged.

The respective, conflicting interests of Iran and the United States also complicate any deeper relationship. Behind the current overlapping interests in terms of stabilizing Iraq, Syria, and Afghanistan, there are competing interests of much greater importance. The US administration would like to see the fall of Assad's regime, which it views as illegitimate, and would also like to help construct a moderate, pro-US, and pro-Western Iraqi regime that could lead a national reconciliation while taking account of Sunni interests. By contrast, the goals of the Iranian regime are to stabilize Assad's regime and ensure an Iraqi Shiite regime that is linked to Iran and cut off from the United States. Above all, Iran strives for regional hegemony, and its most important objective is to end to a US military presence in the vicinity of the Persian Gulf region and Iran. If the international coalition ultimately manages to eradicate the ISIS threat, the main winner will be Iran, because damage to that organization will help the elements with

ties to Iran such as the Assad regime and the armed Shiite militias. These opposing interests will almost inevitably limit the relations between Iran and the United States.

While a nuclear agreement can contribute to extending a US-Iranian dialogue in a more open and less charged atmosphere, this effect will in all likelihood be contained. As long as there is no fundamental change in the nature of the Iranian regime, the radical wing and Khamenei himself will presumably rein in Rouhani and his circle and make sure they do not grow too close to the United States.

Regional Ramifications

Already now, long before any agreement is concluded, there are many signs that Arab nations, especially the Gulf states, are worried about the agreement and its major implication: Iran will attain the status of an acknowledged nuclear threshold nation without having to concede its nuclear weapon ambition. Their concern stems from two main reasons: after the agreement is signed, Iranian conduct toward them will likely be even more aggressive and threatening than it is at present, and the agreement will provide Iran with a huge relative advantage in attaining regional hegemony once it is free of the pressure of sanctions and the threat of a military attack. While the Iranian threat will be vastly worst if and when it possesses nuclear weapons, even the status of being a threshold state is reason for concern, because that road could lead to the bomb.

Moreover, as an acknowledged, legitimate nuclear threshold nation, Iran is liable to strengthen its position as the cornerstone of the regional radical camp, especially given the US recognition of Iran's influence in Iraq and Syria and in the battle against ISIS. This recognition provides Iran with a certain degree of immunity, as seen when the administration avoided confronting Iran directly over its involvement in the fighting in Yemen so as not to undermine the nuclear negotiations. In this situation, the administration finds it more difficult than before to interfere in Iran's doings in Syria, Iraq, and Yemen, especially given the fact that even as the nuclear talks were underway Iran continued to help the Assad regime and the Houthis in Yemen and attempted, together with Hizbollah, to establish another terrorist front against Israel in Syria that would link Lebanon to the Golan Heights. Thus US concessions in the nuclear talks might be interpreted – both by Iran and the Arab states – as weakness. Regional nations seem concerned that the US administration is looking to grow

closer to Iran at the expense of their own – and Israel's – relations with the United States. Just as importantly, lifting the sanctions will invigorate Iran economically, which in turn will help it advance its status in the region.

These concerns may lead regional nations to two possible responses. Some of the Gulf states may rely less on US support and begin to seek to engage with Iran, especially if Iran encourages this in order to promote regional cooperation. Rouhani will presumably be interested in such engagement, although the deep distrust between Iran and Saudi Arabia will likely limit this path. The other response might entail a decision on the part of Saudi Arabia, Turkey, and/or Egypt to develop their own nuclear programs. This possibility has been widely discussed, but if an agreement with Iran is signed these nations will have justification that will be difficult to refute, as they could demand to develop enrichment programs and receive the status of acknowledged threshold states, just like Iran, especially if they agree to restrictions on their nuclear programs.

Ramifications for Israel

The signing of a final agreement on the Iranian nuclear issue will place Israel in a difficult position. Israel has not been a party to the negotiations, and the US has even claimed that Israel has not been privy to some of the details under discussions during the talks. Israel's capacity for affecting the outcome of the talks stemmed from the possibility it would take military action against Iran, a possibility that was of concern to the P5+1, and from the severe sanctions imposed on Iran, to a great extent the result of fear of an Israeli military operation. The ability to wield this pressure will be curtailed by an agreement: the sanctions will be lifted, albeit gradually, and even if Iran does not meet the conditions of the agreement it will be difficult to reinstate the sanctions unless it is clear that Iran is breaking out to the bomb or flagrantly violating the agreement; in addition, the military option against Iran will be taken off the table. The US will certainly not go the military route as long as the agreement is in place, and Israel will find it very difficult – though probably not impossible – to mount an attack on Iran because it will then stand accused of undermining an agreement signed by the world powers and would find itself in serious conflict with the United States. The military option would be back on the table – both for Israel and probably also for the United States – if Iran commits serious violations of the agreement and certainly if there are signs that Iran is breaking out toward the bomb.

In this situation, Israel's primary options will run through the United States and, to a lesser extent, the European governments. Subsequent to the conclusion of the formulation of principles, the US administration will likely make an effort to allay the fears of Israel and the Gulf states. This effort will, to a great extent, be attended by an a priori definition of the steps the US administration would commit to in case Iran violates the agreement and certainly in case it decides to break out to the bomb. In this context, Israel could also make use of its ties in Congress and urge legislation that would force the administration to take action against Iran – both the imposition of severe sanctions and military action against Iran's nuclear facilities – should it become necessary. In the longer term, if there is a dialogue between the United States and Iran, Israel could demand that the administration exert pressure on Iran to significantly change its approach to Israel, including ceasing to make declarations on destroying Israel and even recognizing its existence.

The signing of the nuclear agreement would forge a convergence of interests – preventing Iran from breaking out to the bomb and persuading the US administration to take every possible step to keep this from happening – between Israel and Saudi Arabia and the Gulf states. However, it is doubtful that these shared interests would develop into practical cooperation, both because of Saudi Arabia's traditional reluctance to cooperate with Israel and out of concern about an Iranian response.

> The confluence of recognition of Iran's nuclear status, recognition of its regional influence, the removal of the international pressure, and the expected improvement to its economy will help Iran promote its regional agenda.

Conclusion

A signed agreement between the world powers and Tehran on the Iranian nuclear program would mean a whole new situation for Iran since the Islamic Revolution. On the one hand, it will be free of heavy external pressure. Iran has been subject to US and international sanctions for the last 35 years, though at first this was unrelated to its nuclear program and had to do with its involvement in terrorism. Once the sanctions are lifted, Iran will no longer suffer its partial isolation and will be brought back into the fold of civilized countries – also important to Iran – and its economy will be free to flourish once again. In fact, as soon as restrictions are eased, many governments and financial institutions will likely flock to Iran to vie for their slice of the large Iranian market. The

chance that military action will be taken against Iran will be significantly reduced, though not erased. On the other hand, Iran will have the status of an acknowledged nuclear threshold nation and will maintain its ability to break out to nuclear arms whenever it decides to do so. Furthermore, the agreement is scheduled to be signed while the US administration recognizes Iran's regional weight, especially in Syria and Iraq and in the fight against ISIS. The confluence of recognition of Iran's nuclear status, recognition of its regional influence, the removal of the international pressure, and the expected improvement to its economy will help Iran promote its regional agenda.

There is little likelihood that after an agreement is signed Iran would concede its nuclear weapons ambitions; it will simply have conceded to postpone this drive by 10-15 years. The fact of the matter is that the termination of parts of the program and the rollback of others are reversible. The restrictions imposed on Iran will be lifted and Iran will be able to restore the capabilities it is currently willing to restrict. The most likely scenario is that Iran will not hurry to violate the agreement and cross the nuclear threshold, because it would seem preferable to wait at least until the end of the 10-15 years, as it would then be able to effect its breakout with greater ease. Iran might opt not to wait until the restrictions are lifted, should it perceive a significant strategic threat and need immediate nuclear deterrence, or if regional and/or international circumstances arise whereby Iran would be able to break out with relatively little fear of severe repercussions. But even if Iran decides to suspend its decision to break out for many years, it will exploit its status as a recognized threshold nation to enhance and upgrade its nuclear capabilities as well as its missile program, thereby laying the groundwork for a breakout at its convenience.

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The Obama administration has committed to keep Iran from obtaining nuclear arms. The question is to what extent it can actually meet this commitment should Iran try to break out to nuclear arms after the sanctions on Iran are lifted and these prove difficult to reinstate rapidly, and given the fact that to date, the administration has shown great reluctance in taking military action against Iran. Another question is if, given these difficulties, the United States will not abandon its

policy of keeping nuclear arms from Iran in favor of a policy of containment aimed at deterring it from using the nuclear arms it will already have, or almost have, at its disposal.

Notes

1   See the series of essays published in early 2015 by the Rand Corporation, T*he Days after a Deal with Iran,* at http://rand.org/international/cmepp/the-days-after-a-deal-with-iran.html.
2   Amos Yadlin and Yoel Guzansky, "Iran on the Threshold," *Strategic Assessment* 15, no. 1 (2012): 7-14, http://www.inss.org.il/uploadimages/Import/(FILE)1337250215.pdf.
3   Gary Samore, "Prospects for the Iran Nuclear Negotiations," in *The Days After a Deal*, Institute for Policy and Strategy, Interdisciplinary Center, Herzliya, December 2014.
4   Michael Hayden, Olli Heinonen, and Ray Takeyh, "The Iran Time Bomb," *Washington Post*, March 22, 2015.

Formulating an Updated Strategy in the Face of Regional Upheavals: The Northern Arena as a Case Study

Udi Dekel and Omer Einav

Introduction

More than four years after the struggles and revolutions began in the Middle East and launched a process that is reshaping the region, Israel is required to adapt to an evolving situation marked by changes and new phenomena. Along most of its borders, Israel has thus far managed to contend with the dynamic threats according to familiar concepts: common interests with Egypt and Jordan have kept the peace agreements stable, Egypt and Jordan are battling radical Islamic entities, and the Palestinian issue has thus far remained relatively independent of developments in the region, which generally enables containment of the prominent actors – Hamas and the Palestinian Authority. The theater that differs is the northern arena, comprising Syria and Lebanon, where there have been the most dramatic changes. The collapse of the Syrian state, along with a tightening of the interdependence between the Assad regime and Hizbollah and Iran; the rise of the Islamic State (ISIS) and the strengthening of the global jihad entities; the involvement of the United States and the Western-Arab coalition; and continuous changes in the balance of power and the status of influential actors have all led to a state of chaos that is not bound by familiar rules of the old game.

In order to adjust to the new reality and prepare a response to the various challenges, with an emphasis on the northern arena, Israel must conduct a theoretical review of fundamental elements in its security concept and understand the basis of its preferred strategy in light of the changes that

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have occurred – be they those that constitute a long and continuing process or dramatic twists in the current era. Following clarification of the overall strategy, attention should focus on the northern arena as the locus of a new and unfamiliar reality, where regional and global elements important for Israel are prominent actors. While many of the proposed principles and recommendations that follow have been sounded before, their importance now relates to the implementation of patterns that are ostensibly in effect but in practice are not implemented. The present point in time requires a careful reexamination of the new and the old, in order to define the required framework for implementation, now and in the future.

Conceptual Changes

Israel's current strategic situation is shaped by the upheaval shaking the Middle East, whose outcome and ultimate long term effects are impossible to predict. A host of changes and complex processes are challenging many of Israel's longstanding assumptions; some of these changes typify the entire region and some are unique to the northern context. The full range of changes can be divided into two major groups: conceptual changes in approach, which are affected by regional and global processes related to national security; and geo-strategic changes, which reflect developments in the northern arena (discussed later in the article).

The conceptual changes represent a familiar challenge, namely, a country's adaptation to doctrinal, technological, social, cultural, and other developments in its immediate and remote vicinity. Future planning of the next campaign in the northern arena involves several such changes that should be taken into account. The first is the nature of the military threat posed to Israel. In the northern context, for instance, prior to the civil war in Syria, the threat reference was a confrontation with the conventional Syrian military, backed by the military capabilities of Hizbollah – primarily missiles and rockets – with Iranian support.[1] Currently, in the wake of ongoing attrition and warfare with Syria, the threat from the Syrian military has ebbed significantly. Some of the weapons of the Syrian military have fallen into the hands of Salafi jihadi elements and some were delivered to Hizbollah. The IDF must engage in force buildup that addresses a wide range of scenarios in an environment dominated by uncertainty, without any accepted and defined rules of the game, and with no ability to determine possible end states. The rationale of terrorism and attacks on the Israeli home front stand as the main threat in the arsenal of the Tehran-Damascus-

Beirut axis and also of the Salafi Sunni extremists. This process reflects an extensive change in the entire Middle East, whereby most of the region's state actors have lost their monopoly on power, and power is now commanded by a myriad of actors with military capabilities – some of them advanced – and an operational concept based on guerilla warfare and terrorism.

The second conceptual change relates to the principle of deterrence, which constitutes one of the pillars of the traditional Israeli security concept. By definition, deterrence cannot be measured or quantified, and it can usually be evaluated only in retrospect.[2] Israel is contending with a system where red lines and rules of the game are no longer as clear as they may have been in the past, and with the difficult question of how to influence the intentions of organizations operating with a jihadist vision. Given the nature of the current conflicts, it is impossible to establish clear facts on the ground and draw a cost-benefit equation that would deter Israel's enemies. Israel is working diligently to formulate the appropriate strategic concept for the new situation, and within this framework the concept of the "war between wars" was formulated.[3] This concept is designed to reinforce the deterrent against the enemies by illustrating what they can expect in a scenario of escalation, while disrupting their buildup processes and creating more favorable conditions for Israel if a high intensity military campaign erupts. Intentions notwithstanding, the policies of "wait and see" and non-intervention in the regional events and processes enable limited application of the war between wars approach.

Another change relates to the strengthening of the defense leg of the security concept. Challenging the offensive ethos of the IDF, which has adhered to offensive and decision-enabling force buildup since the establishment of Israel's military, the confrontations in the last two decades differ from the previous wars, which were based on firepower and maneuver and rapid transfer of the battlefield area to enemy territory. Now the emphasis of the enemies is on high trajectory fire against Israel, terrorism against the civilian population, attempts to disrupt systems essential to the functioning of the state, and guerrilla warfare operations such as underground penetration and attacks on populated areas. These methods aim to offset the technological and offensive supremacy of IDF, and Israel's response to them has prompted substantial investment in active and passive defense capabilities.[4] Indeed, the immediate response to the changes in the northern arena was the construction of an enhanced

security barrier in the Golan Heights and an expanded number of Iron Dome batteries for intercepting missiles and rockets launched into Israel territory.

The Need to Formulate an Updated Strategy

The main difference that must underlie the new strategy is the increasing dominance of non-state and other actors, which shoulder little or no responsibility for territory and population and do not adhere to the rules of the game and standards practiced among the family of nations. The regional environment, and particularly the Fertile Crescent area, continues to splinter into communities while torn apart by religious, ethnic, tribal, and cultural disputes. Lebanon and Jordan have thus far managed to remain intact, despite a heavy influx of millions of refugees; how much longer they can withstand this burden is unclear. For their part, Syria and Iraq will not return to their former states.[5] This new reality requires developing ways and means to approach the new and dominant alternate actors, who are no less important than those before them. Any attempt to apply the old state rules to the new elements is doomed to failure. For example, Israeli use of a deterrent threat – using a combination of verbal and instrumental messages – which had been an effective tool (such as a diplomatic message combined with flying at low altitude over the Syrian President's palace) is no longer valid and has no effect on the new actors.

It is difficult to identify weaknesses among the new actors that can be leveraged and used as a base for influence and deterrence. In addition, a new approach is required for attaining an adequate intelligence picture. Currently, intelligence deals less with predicting threats and trends and more with providing tools that assist the leader in making decisions. Furthermore, Israel's ability to draw a map that is not subject to traditional state concepts – borders, governance, sovereignty, and balance of power – is extremely limited and relies on perspectives that incorrectly reflect the interests, intentions, worldviews, and elements and interests that motivate the non-state actors. There is also a lack of a particular kind of intelligence, namely, social intelligence, a critical element given community cohesiveness enabled by the soaring influence of the media and the social networks. On the one hand, these platforms enable mass mobilization and guidance toward extremist ideas, and on the other hand, provide a platform for civil society to voice its opinions. In an age when the cognitive dimension determines much of what happens in the political and state theater, these are important tools to track social moods and trends.[6]

The Confrontation Dimension

At the confrontation level, Israeli policy should internalize the idea that it is no longer possible to isolate the operational theaters or separate between the front lines and the broad theater and thereby limit the bilateral confrontation. For its part, the bilateral concept is one dimensional, does not currently withstand the test of reality, no longer serves Israeli interests, and will not improve Israel's balance of power vis-à-vis its enemies. Currently, given the links between the arenas and actors, there is a multilateral and multilayered dynamic at work. Consequently, Israel's planning must take into consideration scenarios that contain complex developments that depend on more than one actor or a group of actors that make common decisions. Given the pervasive uncertainty, Israel must build an approach that attempts to provide a valid and strong response under the largest number of scenarios.

In addition, in order to avoid unexpected and unintended consequences that increase the threats and dangers, Israel must prepare for the emergence of unforeseen implications. It is imperative to provide the decision makers with room for deliberation, which allows for understanding and sound judgment in the course of debate, in order to choose the appropriate response, without becoming enslaved to a familiar off the shelf response, and thereby reduce potential entanglements and deterioration to more difficult and complex situations.

The Conceptual Dimension

Above all it is the conceptual level that will be shaped by the doctrinal novelty, and hence much of the intellectual effort should be channeled there. Until now, military and state lexicons were used to express the traditional approaches derived from wars against state systems. The correct way to launch the new process is first and foremost to create a new conceptual terminology that will reflect the change in thinking and contribute to deeper discourse around the new reality, including: a multilateral operational concept, i.e., against a variety of actors simultaneously; strategic aims from the world of decision and deterrence that can no longer be realized; a changed meaning of state borders to regions defined by context; maximized establishment of partnerships and ad hoc coalitions based on overlapping interests in the face of a singular phenomenon or challenge; the mapping of concepts, ideas, identities, relevant groups, and a coherent strategy in relation to minorities; a multidisciplinary toolbox that aims at a myriad

of efforts – political, diplomatic, economic, military, intelligence warfare, information warfare, legal, media, infrastructure, humanitarian assistance, and handling of the local population – all this in an informed and integrated manner. The interdisciplinary concept embodies the recognition that in the modern campaign, use of the entire toolbox of the state or the coalition countries is necessary to produce the desired effect against other actors. In other words, hard power and soft power measures must be combined in order to further interests.[7] For this purpose, someone responsible for the coordinated and synchronized operation of all the efforts should be specified in order to produce maximum benefit.

On a more internal level, beyond creating a new lexicon, a broad knowledge infrastructure must be established about the relevant actors, particularly their emergence and their influence. One of the essential elements in this context is the individual attention to a variety of non-state entities on the spectrum. Although the Middle East is moving forward, to a great extent it is experiencing a regression to old sentiments and desires that are reflected in the growing social segmentations. Therefore, understanding the ethnic, tribal, religious, and community patterns is a basic part of the adaptation process. Beyond defining the populations in the region, another aspect relates to tracking their movement as a decisively important factor. The phenomenon of refugees and immigration has changed Syria, Jordan, Lebanon, and Iraq beyond recognition, and the previous demographics are no longer the baseline.[8]

By using new intelligence tools, such as social and psychological intelligence, civil surveillance will become workable and effective, since it is impossible to identify new trends among the region's population with traditional tools – as evidenced more than once during the course of the war in Syria and in Iraq, where activity is affected by social platforms and the new media far more than in previous wars. Understanding these characteristics will assist in identifying the points of influence on the various actors and the ability to exert pressure on the centers of gravity. Currently quality intelligence is required in three dimensions: (1) identifying courses and objectives of the enemies and the adversaries, with emphasis on the radical Shiite axis led by Iran, Islamic State, and additional elements belonging to the Salafi jihad threatening to take action against Israel, with access or establishment along the borders; (2) intelligence required for the sake of protecting an ally – as in the case of the incursion of jihad into the Sinai Peninsula and Jordan – and concurrently protecting the internal balance

of power in the countries with which Israel has peace agreements;[9] (3) intelligence indicating opportunities for finding common denominators and overlapping interests with actors in the region. Although the continuing instability compromises the credibility of many actors and their ability to constitute a foundation for a strategic alliance, the positive aspect of the phenomenon is the emergence of opportunities for ad hoc cooperation based on identical objectives.

The Israeli Challenge

Israel has not yet developed a coherent concept with respect to its place in a Middle East that is refashioning itself. The dominant strategy characterizing the Israeli policy since the start of the regional turmoil has been non-intervention and "wait and see."[10] The rationale underlying this policy stems from the desire to exclude Israel from the regional conflicts, in part to reduce the threat of instability crossing over its borders, as experienced by its neighbors. Furthermore, Israel has shed few tears over the extremists killing one another and focused on their internal struggles – a trend that until recently caused a weakening of the "axis" and its anchor, the Assad regime in Syria. Israel does not want to be the target of regional and global attention or considered as part of the regional problem. Moreover, Israel's bitter history of involvement in regional and local conflicts and attempts to enthrone sovereigns and rulers – headed by the civil war in Lebanon – behooves it to exercise extra caution before taking any step in this direction.[11]

Until last year, the "wait and see" strategy was perceived appropriate for Israel, since it had been relatively immune to the surrounding upheaval. However, this immunity cannot last forever. The ongoing violence along the border in the Golan Heights (as well as in Lebanon, Gaza, and the Sinai Peninsula) is not subsiding. Even today, when Islamic State is not within range of confrontation with Israel and Jabhat al-Nusra chooses out of temporary interests not to confront it, their activities indirectly undermine the peace with Israel. A low signature Israeli operation to establish cooperation with local communities in the Syrian Golan Heights cannot neutralize the efforts of Hizbollah and Iran to entrench themselves in the Golan and in southern Syria – the very efforts that generated a clash with Israel in January 2015.[12] Therefore, and for the sake of preparedness for future scenarios, it is necessary to formulate an updated strategy.

Israel's Challenges in the Northern Arena

The processes and trends in the northern arena should be analyzed on the basis of the principles at the confrontation and conceptual levels. Israel is watching Hizbollah with concern extricate itself from the hardship that it had encountered early in the upheavals in Syria, as it recaptures its status as "protector of Lebanon" against the danger of proliferation of Salafi Sunni Islam. At the same time, Hizbollah is arming itself in ways dangerous for Israel, and this requires the formulation of an effective military response. In addition, from the world's perspective Iran and the Assad regime have evolved from the problem to part of the solution in the fight against ISIS.

Accordingly, Israel is required to evaluate its policy in light of two significant phenomena. The first is the spillover of the events into its territory, mainly terrorist activities seeping in through its northern border encouraged by domestic terrorism; the second is the formation of a threat infrastructure in the Golan Heights in the wake of the establishment of Hizbollah and Iranian Revolutionary Guard elements in the region, in parallel with infrastructures of Salafi jihadist elements such as Jabhat al-Nusra, mainly in the southern Golan Heights. The "wait and see" policy implemented thus far does not prevent the formation of new threats and does not improve the ability to cope with the the future challenges. The strategic problem is complicated since it is difficult to imagine the feasible end state for Israel, given the growing uncertainty in the wake of the upheavals in the northern theater, an assortment of actors with numerous and conflicting rationales, and the absence of stabilizing factors over time. In the past, depending on the relative stability prevailing in Syria and Lebanon, Israel took action with a state actor – the Assad regime in Syria – as the responsible address, while for its part, Hizbollah was motivated by interests pertaining to the Lebanese population. Therefore, the reference threats were more easily mapped and the required end states more easily defined, and accordingly, an organized strategic rationale was more easily formulated. Currently it is difficult to map the power relations and the developing trends, and thus the establishment finds it difficult to formulate a clear strategic aim.

Using a broader prism, it is clear that geo-strategic changes have begun in the region and directly affect the northern theater. If until 2011 Israel could indicate with a high degree of certainty that its primary threat stems from the strengthening of the Iran-Syria-Hizbollah axis, including the capabilities of the Syrian military and Hizbollah's array of missiles and rockets, today the picture is much more complex with the disintegration of

the political system and the ascension of new actors, most of them jihadi extremists armed with high quality weapons. The challenge has evolved from a confrontation with a defined and homogeneous body with a clear structure and command and control hierarchy to a mixed set of actors with no systemic logic, which join and converge on ad hoc bases, and are capable of adapting quickly to changes in their operational environment. Thus it is difficult to predict under the patchwork that has been created the hierarchy of threats and the relationship between them. For instance, can it be said today with certainty what the main threat is to the security of the State of Israel, Iran or Islamic State?

The analysis of the geo-strategic trends demands an evaluation of the severity and immediacy of the threats, and a determination of how Israel could best cope with them. This is the context for the gap between Israel and its strategic ally, the United States, regarding definition of the primary regional threat and the requisite course of action. While Israel considers the radical Iran-led Shiite axis of Iraq, Syria, and Hizbollah the primary threat, the US believes that Islamic State is the primary threat requiring military action, taking precedence over all other efforts, and worth the cost of coordination with Tehran.[13] The primary objective of the US is first the eradication of the Islamic State organization.[14] This issue is significant given the developments on the Golan Heights and the question of Israeli strategy in light of the Iranian moves to expand its influence in the Middle East. Israel is tracking the strengthening radical Salafi Islam in the form of Islamic State and Jabhat al-Nusra and estimates that in the future these elements may act directly against Israel, if they successfully complete a takeover of Syria, Iraq, and Lebanon. However, the immediate concern and the more substantial threat from Israel's perspective is the establishment of the axis on the Golan Heights and in southern Syria. Israel declares that it will not allow the Golan Heights to fall under Hizbollah and Iranian control, and it is even willing to cooperate locally with the insurgent groups and local population for this purpose.[15]

Defining the Main Threat in the Northern Arena

The main question before the Israeli leadership is, which primary regional context should define the main threat to Israel in the northern arena. Is it that Iran is a nuclear threshold state and/or wields much greater influence in the Middle East, or is it the proliferation of the Islamic State and radical Islam, or is it the expanding phenomenon of the disintegration of traditional

countries, spreading to peaceful countries and the Palestinian Authority, or perhaps a combination of the challenges? The answer to this question will underlie Israel's policy toward the northern arena, where it faces a combination of challenges and threats, whose level of severity must be established for the short term and for the long term, and in turn, the respective policy priorities can be established.[16]

We believe that the Iran-led axis is currently the main threat to Israel. Iran, with its strategic capabilities, and Hizbollah, with its arrays of missiles, rockets, and unmanned systems together constitute the fundamental military threat to Israel. Meanwhile, the expansion of the area of friction between Israel and the axis in the wake of its attempt to deploy in the Golan Heights and in southern Syria will provide it with an additional platform to challenge Israel. The two well-known threats for which Israel had prepared up to 2011, i.e., a war against the Syrian military and a war against Hizbollah on the Lebanese front only, are not relevant today. The Syrian military is weakened and does not constitute an immediate threat to Israel, while Hizbollah has expanded its field of operations from Lebanon eastward deep into Syria and southward to the Golan Heights. The struggle taking place in the south of Syria between Hizbollah and Iran and the insurgent forces of the Assad regime is to a large extent the battle for the nature of Israel's next war.[17] Israel must focus its intelligence and operations buildup capabilities in the event it will be required to attack the Iranian and Hizbollah strongholds in Syria and prevent them from creating a military infrastructure for attacking Israel from several fronts simultaneously (Syria, Lebanon, depth).

From a multilateral perspective, Israel must continually assess the repercussions of a confrontation with the axis for other actors, including potential enemies, as well as implications for its partner the Hashemite Kingdom and other actors with similar interests that may be enlisted to fight against the establishment of the Shiite axis in southern Syria. Such decision would direct Israel's efforts in running war between war operations, with the option of enforcing a no fly zone for the Syrian air force and its partners in the Golan Heights sector, along with multidisciplinary efforts (such as humanitarian, economic, infrastructure) to establish partnerships with local actors. All this in order to establish a sphere of influence in southern Syrian and in the Golan Heights and thereby undermine the establishment of the Shiite axis in the region and stabilize the Golan Heights sector. Concurrently, it is necessary to establish preparedness for a confrontation

with the Shiite axis in the northern theater. Within this framework, Israel must highlight two expected repercussions in the event that Hizbollah and Iran initiate escalated terrorist activity against Israel: one, a targeted Israeli strike on Assad regime bastions, which may cause the Syrian President's downfall; second, a devastating strike against Hizbollah's capabilities and assets and against their infrastructure, which in turn will spur it to take action and launch missiles and rockets against Israel.

Israel is required to establish its strategic posture in relation to current and future influential actors in the region: the United States and Russia as involved and shaping superpowers; international coalitions operating in the region; and pragmatic Arab countries that have retained their regimes and want stability. It should also make initial contact with Turkey to explore an option for strategic coordination in the face of the Shiite axis threat and continuation of the Assad regime (bringing down the Assad regime is a major objective of Turkish President Erdogan); reach out to minorities in the Middle East, whose separatist identity has been strengthened by the erosion of the state structure; and identify actors that have potential for a positive and central role in shaping the new Syria the day after Assad and work directly and indirectly to strengthen them.

In parallel to determining the strategic objectives in the northern arena, a competing strategy should be defined that weighs the data differently, which specifies Islamic State as the main threat (similar to the US assessment). In such a scenario, whereby the axis is not the main threat, it is possible to expand the theoretical horizon and identify common interests and potential manners of approach to the axis, in order to evaluate whether understandings can be established, to the extent of coordinating the fighting against Islamic State. Only providing real alternatives will lead to the refinement of a valid and workable strategy for Israel.

Conclusion

After four years since the beginning of the undermining of the old order in the Middle East, there is no foreseeable end in sight to the dramatic fluctuations that have occurred regularly since then. This situation no longer allows Israel to wait and see and combine non-intervention with strengthening the layers of defense, in the name of striving to be protected and to not be adversely affected by the repercussions of the turmoil. The changes that occurred in Iraq and in Syria have created a regional chain reaction and have shaped a northern arena different from what Israel was

accustomed to prior to 2011, while raising perceptual difficulties and a lack of coherent strategy. Israel has not yet found the shaping principles that it requires in order to contend with the emerging reality, and this has resulted in a growing gap between the stated purpose with regard to the northern theater and the toolbox available to it in order to formulate a response to the threats in the northern arena and the trends and processes there.

In order to bridge this gap, the government of Israel must act promptly and engage in serious thought to formulate an updated strategy in relation to the northern arena. This process will be accompanied by interim actions that will be required in light of the developments in the arena, which will enable a better understanding of the region. Concurrently it is necessary to map a multi-actor and multi-rationale balance of power, while seeking ad hoc partners, and to establish a multidisciplinary toolbox that is appropriate for the new challenges. The strategy itself will have to integrate between long term objectives – derived from an investigation of the Israeli interests and its priorities between the Iran-led axis currently constituting the primary threat and the Islamic State-led bloc, against short term objectives – which focus on preventing the formation of threats and future difficult situations. Within this framework, Israel must assess its position within the patchwork of regional and international actors involved in what is happening in the northern theater, formulating an updated strategy in a thorough planning process, while correctly using new elements, concepts, and mindsets. Updated strategic thinking is essential in order to direct Israel's policy and actions vis-à-vis the northern arena and to prepare effectively for a scenario of escalation against the axis and the radical power elements in the northern theater and in the Middle East as a whole.

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Israeli Strategy for What Follows the Sykes-Picot Era

Ron Tira

The Rise and Fall of the Sykes-Picot System

Over the past hundred years, much of the Middle East was arranged according to a state-based rationale outlined by Sir Mark Sykes and François Georges-Picot, for what was then the Arab periphery of the collapsing Ottoman Empire. Pursuant to the 1916 agreement,[1] arbitrary borders were drawn that grouped adverse ethnic groups and competing religions together into states of a loose identity. Organizing in state frameworks was new to the region, which customarily grouped itself into local clan, tribal, ethnic, and religious frameworks under the remote rule of foreign empires.

What sustained the Sykes-Picot system were tough regimes that acted for their own benefit. The state was not a means for the self-determination of a nation, but primarily a framework for enabling opportunities and legitimacy to exercise force in the service of ruler interests. In the first wave, the system was based on kings, headed by the Hashemite family, with its origins in Saudi Arabia. This family was alternately given control over Syria, Iraq, and Jordan. The second wave to visit the Middle East consisted of military regimes, secular and ostensibly socialist. Both the kings and the generals promoted the idea of unique Arab national identities in order to strengthen the legitimacy of the state and the person at its helm.[2] This was especially obvious in states where the generals were part of a religious or ethnic minority (as in Syria and Iraq).

The third wave to visit the region was Islamic. The rationale of religious reorganization does not necessarily comply with the nation-state orientation

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and is likely to ignore borders or redraw them. At the same time, the label "Islamic" is itself misleading and comprises polarized elements. There is more that divides than is common between Sunni and Shiite movements; between the old guard of the Muslim Brotherhood and the new jihadist movements (such as ISIS); between organizations with national and territorial orientation (such as Hamas) and global organizations (such as al-Qaeda); between conservative establishments seeking to safeguard the status quo (such as the Saudi Wahhabi) and those seeking to destroy the existing system.

The weakness of the idea of distinct Arab nations has led to Iraq, Syria, Lebanon, Yemen, Sudan, and Libya undergoing different stages of disintegration, and additional states are liable to join them. Such disintegration has created the conditions for the ascent of other forces, such as jihadist Sunni movements, Shiite movements, ethnic groups such as the Kurds and the Druze, and groups of local or tribal identity.[3] In contrast with military regimes of the second wave, which preserved the state frameworks that were consigned to kings of the first wave, the third wave is characterized by ambivalence, if not outright hostility, toward the notion of separate Arab nation states.

A more likely interpretation than the jihadist movements having caused the fall of the states is that the rise of the jihadist movements is the outcome of a vacuum left by the collapsing state frameworks. The state frameworks underwent an artificial birth and never gained any substantial collective content. Their resistance to challenges was in any case weak, and it was evident that sooner or later elements destined to erode them would emerge. Accordingly, while there is no certainty that it is precisely the players currently on the field, such as ISIS and Jabhat al-Nusra, that will continue to dominate the game in coming years, there is certainly a basis to assume that non-state actors (whether existing or new) will continue to challenge the Sykes-Picot rationale.

Four Nation States, the Southern Monarchies, and the Storm Surrounding Them

In the Middle East there are four nation states characterized by a well-grounded identity and a level of functioning and governance that allows for sufficient state coherence. These four states, Israel, Egypt, Turkey and Iran, are most likely to continue to play a central role in the future as well. Each of the four faces significant challenges, but all possess sufficient

national solidarity and state tools to enable them to deal adequately with those challenges. Even with shockwaves to the regimes (Iran in 1979, Egypt in 2011 and 2013, and Erdogan's slow motion revolution in Turkey) the state structure remains coherent.

Each of the four nation states borders one other nation state. In other words, generally speaking one can define the dynamic as between states that for the most part do not border each other. Israel and Egypt are currently status quo players that seek to prevent shockwaves, while Iran and to a lesser extent Turkey seek to reorganize the regional system in their favor. Iran stands out in its activation of a proxy apparatus and clandestine forces, which by now are dominant players in Iraq, Syria, Lebanon, and Yemen. Tehran stretches its long arms elsewhere as well, and they already reach East Africa and Central Asia and affect the other three nation states.

Despite the rivalry between some of the four nation states, the strategic mathematics do not dictate a specific deterministic relationship between them. Today one can indeed describe tri-polar dynamics, as Israel and Egypt (and Saudi Arabia)[4] are coordinated in competition with Iran and with Turkey. However the spectrum of possible future dynamics is quite broad and may include a multilateral race for influence and footholds, a sort of Middle East "Great Game";[5] the return of the "periphery pact" of the 1950s in which non-Arabs players formed a front against the Arabs; continuation of the current Sunni states-Israeli collaboration; an Israeli-Turkish strategic alliance (such as the alliance in the decade between 1992-2002); and perhaps even an Iranian-Israeli alliance (similar to the Israeli alliance with the Pahlavi dynasty). In fact, a look to the future reveals that any alignment of forces is possible based on the changing interpretation of the interests of each of the four nation states.

Situated in the south of the regional system is an additional array of players – the monarchies of Jordan, Saudi Arabia, and the Gulf principalities. The monarchies have thus far weathered the Arab Spring, but some have only a modest ability to withstand substantive challenges. In Jordan a family of Saudi origins rules over a Palestinian majority while the country is flooded by refugees from Syria and Iraq. At the same time the Islamic movement is gaining strength, thus raising fears over the survivability of the House of Hashim. Saudi Arabia is home to a large community of foreigners and a defiant Shiite minority. The state framework is looser and the survivability of the House of Saud is a source of concern. The monarchies (with the exception of Qatar) are also status quo players.

The area between the four nation states and the southern monarchies is witness to a mounting storm. Indeed, it is hard to sketch a dynamic analysis of this area, mainly with respect to the region's Sunni segment, which suffers from fragmentation, weak political and social structures, and turmoil. Moreover, the so-called Sunni "organizations" do not necessarily possess a lucid structure or an orderly decision making process. Loyalties and identities change frequently, stretching between localism and global jihad. Many of the activists in jihad organizations are not of the same ethnic background as the population in which they operate. It is uncertain whether the current actors will continue to dictate the future dynamic, but it is likely that the shakiness of the state frameworks, the prevalence of armed groups over the silent masses and public opinion, and instability will continue to characterize the Sunni segment of the region.

In contrast, segments that form more coherent organizational and political structures consist of distinct ethnic and religious groups such as the Kurds (and to a lesser extent the Druze and others), and certainly the Shiites and their allies (such as the Alawites). The region's Shiite segments define their political objectives clearly, pursue a rational strategy, embody a hierarchical structure, and are driven by a guiding Iranian hand. The Shiites face weighty challenges, mainly in places where they constitute a minority, but Iran provides them with strategic backing, industrial capabilities, and know-how. When it is practicable, the Shiite system aims to create territorial continuity; thus al-Qusayr, which connects the Shiite region in Lebanon with the Alawi region in Syria, has become a center of gravity in the current war.

The future dynamic of the Shiite system in the Sykes-Picot region might be shaped by the tension between its qualitative advantages and the possibility that Iran will overstretch itself in amassing footholds and allies. Overstretching in this context signifies the accumulation of excess commitments that exact heavy costs, including economic, military, diplomatic, political-internal, and legitimacy-related. This might result in Iran's weakening, its abandoning some of its efforts, or its becoming pinned down to specific commitments that constrain its freedom of action

On more and more critical issues, Washington and Jerusalem have disagreeing viewpoints. One cannot assess what United States policy will be under the next president, but the American reality is changing in a manner that makes it dangerous to assume that what came before Obama is likely to return after him.

or the attention it can devote to other matters. Iran's economy is similar in its resources to the economies of Argentina or the state of Maryland, but it operates simultaneously in a growing number of arenas laden with friction. At the same time, Iran's mode of operation, based on local populations and proxies, reduces the economic cost of its engagement in various arenas. In certain respects, from an Iranian viewpoint, friction is neither bothersome nor an encumbrance, but rather a preferred or at least tolerable course of action. Nevertheless, one cannot assert that there is no significant cost (of any type) to Iran, as it is involved at differing levels of intensity in a growing number of arenas; supports proxies and local populations; and rubs against Saudi Arabia, Egypt, Israel, Turkey, and other players. Iran must administer an intricate, growing weave of interests and strategies.

Naturally, the international powers also influence the future dynamics of the region. During the course of the 15 years following the 1991 Gulf War, the United States was the hegemon of the Middle East in a period that could be seen as dominated by a Pax Americana. However the wars in Afghanistan and Iraq brought the administration of George W. Bush (in its closing days), and even more so the Obama administration, to a point at which America's low willingness to bear costs and risks was the equation's constant. The variable consisted of US policy objectives. The Iranian nuclear challenge is an example of US consistency in its unwillingness to undertake risks and costs and the resulting inconsistency in its policy objectives; indeed its objectives are in a steady process of erosion. Similarly, the United States struggles with reading the map (for example, the Arab Spring), setting policy (toward Assad, for example), and translating policy into reality. It is not clear whether the US under Obama still views the world through a prism that reveals a front of allies to be strengthened in the face of an axis of adversaries that must be weakened. On the one hand, Obama has been critical of allies if not worse (Mubarak, for example), while on the other hand, he acts to placate his adversaries and those of his allies (Iran, for example). All this dilutes the value of American patronage. It is possible that Obama assesses that it is more cost effective to reach an equilibrium with his adversaries than to sustain his allies in their struggles.

On more and more critical issues, such as the Iranian nuclear issue, Operation Protective Edge,[6] the chemical weapons crisis in Syria, or the backing of President el-Sisi, Washington and Jerusalem have disagreeing viewpoints. One cannot assess what United States policy will be under the next president, but the American reality is changing in a manner that

makes it dangerous to assume that what came before Obama is likely to return after him. The US is undergoing a geostrategic transformation in its becoming independent in terms of energy and a leading energy exporter. In addition, American demographics are changing, and with them, also the country's world view. Israel must prepare for a reality of lessening American interest in it and in the Middle East.[7]

Israeli Strategy for a Turbulent Environment

Israel is a status quo player that seeks to prevent non-agreed upon changes in reality and the emergence of threats. As such, it is currently challenged in two ways. The first consists of actors that seek to compel a nonconsensual change in reality through direct, indirect, or soft power. These players today include nation states such as Iran and to a lesser extent Turkey; players defined as non-state actors but that constitute part of an organized supra-state system with abundant capabilities (such as Hizbollah); some Palestinian organizations; and players that are a symptom of the disintegration of the Arab nation state. And indeed, one must distinguish between players that are themselves the root cause of a challenge (such as Iran) and players that are a symptom of another problem (such as ISIS). The second threat to Israel is the current reality of the regional system, with its shaky political and strategic structures and high volatility. In such an environment, any working assumption is liable to find itself challenged and in fact, nothing can be taken for granted.

Israel's goals and the threats it currently faces align its interests with those of other status quo players such as the pro-military government in Egypt, the House of Saud, and the House of Hashim. However, there is a risk of a third revolution in Cairo and the fall of the kings in Riyadh and Amman; thus it is dangerous to turn the present snapshot into a working assumption. Nonetheless, one can argue that that the current primary fault line in the region no longer relates to the Arabs against the Israelis, and that the Arab-Israeli conflict now remains primarily the Palestinian issue.

Countries like Syria were foes of Israel but also partners in forming strategic systems that generally sought stability. The vulnerability nodes of the Alawite regime, for example, were well known and militarily accessible to Israel. Israel established deterrence vis-à-vis the regime, which was the basis for a strategic equilibrium. The Alawite regime behaved rationally and predictably, and up to 2011 had the power to impose its authority upon all of Syria. Thus it fulfilled its assigned role in the strategic system. In addition,

the artificial and weak Sykes-Picot states insulated Israel somewhat from the stronger forces on their other side, mainly Iran and Turkey.

Such being the case, the disintegration of the Arab nation states creates two challenges for Israel: the upsetting of local stability on its border, and deepened penetration, both direct and indirect, of Iran and other distant players all the way to Israel's border. Clearly Israel is not able to decide (as opposed to influence) who sits on its border, but the alternatives seem to be either to have strong opponents that are rational and coherent or weak opponents that are loosely defined and unpredictable.

Israel suffers a competitive disadvantage in political engineering beyond its borders, and when it has tried this route, it has for the most part failed.[8] Therefore even if the decline of both Arab nation states and American hegemony are producing a vacuum being filled by numerous players – from the Iranians and Turks to the jihadists and Russians – Israel should not attempt to politically engineer the spaces beyond its borders. Due to this consideration as well as cost considerations, Israel should not take part in a Great Game of the Middle East, i.e., seizing regions of influence and footholds. However, the Great Game is liable to reach areas near Israel in which it has vital interests. Accordingly, Israel is likewise unable to turn a blind eye to what is emerging beyond its borders.

Israel must act to curb players that seek a forcible change in the regional system and contain the emergence of threats, in part through cooperation – even if temporary, fragile, and discreet – with a maximum number of possible players. Israel must certainly continue to cooperate with Egypt (with respect to Gaza, Sinai, and other common interests), contribute to Jordan's security in the face of internal and external threats, and maximize the advantage of the common interests with Saudi Arabia. It should arm and participate in the funding of ethnic groups such as the Kurds,[9] Druze, and others. Israel and Russia have limited conflicting interests, and thus dialogue is possible, for example, over the manner of stabilizing Syria such that it would not impact adversely on Russian or Israeli interests. Furthermore, there is the possibility of attaining equilibrium, even if temporary and fragile, with local groups such as Jabhat al-Nusra in the south of the Syrian Golan Heights. For both Israel and Jabhat al-Nusra's local group it appears more important to prevent Iran and Hizbollah from establishing footholds in that area; thus it is possible to at least attain a state of mutual disregard (as "non-fighting opponents"). While such a possibility is tenuous and liable to unravel at any moment, it is illustrative of the approach of striving

for a maximum of restraining and stabilizing measures, even if temporary. Furthermore it is necessary to conduct ongoing situation assessments, for if ISIS, for example, threatens to base itself in the Syrian Golan, it might be that a Hizbollah presence is actually preferable. Hizbollah is a more threatening force, but could be a more suitable partner in forming agreed upon game rules. In an unstable environment one cannot assume that a move of any sort will produce a stable and fixed reality; however, a series of temporary measures may help ride the waves of the tumult.

Military power also needs to conform to the post-Sykes-Picot reality. The IDF has already executed long range operations, but they have been pinpoint in nature and limited in their resources and goals. It is possible that alongside its traditional capabilities, the IDF will be required to project force, and for the first time even wage an extensive campaign against Iran, a strong and non-bordering nation state. In addition, the spectrum of non-state enemies is widening. At one end there is Hizbollah, which is expanding beyond the scope of a guerrilla organization and is acquiring the capabilities of a strong state. It has capabilities that make it ready to operate from deep inside its territory, which today stretches across much more than merely Lebanon. Therefore a campaign against Hizbollah has new implications in terms of theater size and borders and the threat this organization poses to Israel.

Furthermore, one must recognize the limitations of power against jihadist-like non-state threats. Military force is capable of removing concrete threats, but is hard pressed to deliver end states that represent another reality. When the root cause is the disintegration of the state system, with the threat that emerges merely being a symptom, military force is capable of treating the symptom, but cannot rebuild the state system beyond the border. Moreover, due to the looseness of political structures and the multiplicity of players, it is difficult to evaluate ahead of time the outcome of a military act and the political reality that would ensue. Accordingly, in this context, military operations that seek to change reality are of questionable feasibility.

Iran Penetrates the Arab Vacuum

While the strategic mathematics do not predetermine rivalry between Iran and Israel, Iran has decided to position itself as Israel's arch adversary, and the weakening of the Sykes-Picot system offers a ready context for turning Iran into Israel's primary strategic challenge. On the one hand, a once-primary threat is dimming, i.e., the symmetrical threat from a

bordering state that enjoys backing from an antagonistic superpower. On the other hand, Arab weakness is producing the conditions for Iran's deep penetration into regions where Israel has vital interests (the Syrian Golan, Lebanon, Gaza, the Red Sea, Bab-el-Mandeb Straights, and others).

But the main challenge is the nuclear issue. It is beyond the scope of this article to elaborate on this issue, but suffice it to say that Iran's nuclearization, or its becoming a threshold state (with breakout capability for a weapon whenever it decides) has two implications. The first is the direct threat. The greater part of the conceptualization of nuclear relations originates from the Cold War, but that conceptualization is less relevant for an embryonic nuclear system among regional players in which a "first strike" may be feasible and could constitute a rational step.[10] The second implication is the negative effect on the regional dynamic. Popping out of a Pandora's Box are intensifying Iranian hegemony, the strengthening of Iran and its proxies in sub-nuclear conflicts, a multilateral nuclear arms race, nuclear arming of fragile regimes, and the loss of control over nonconventional weaponry.

Israel erred in the orchestration of the internationalization of the nuclear challenge. Its influence over the outcome of the crisis diminished, and de facto it invited an arrangement that does not reach Israel's minimum criteria as it will be formulated by risk-averse diplomats with fewer interests at stake. All of the actions taken up to now by the various players have not led to Iran abandoning its nuclear objective, and Iran continues to maneuver tactically toward achieving that objective. In the background, the Obama administration hints at striving for a grand bargain with Iran that will contribute to arranging the Middle East in the era of diminishing Sykes-Picot rationale and a diminishing Pax Americana.[11] The grand bargain may address not only the nuclear issue but also Iraq, Syria, ISIS (which was promoted from the rank of a symptom to the rank of a root problem), certain aspects in Afghanistan, and more. It is possible that Obama is striving for equilibrium with Iran and for a regional political map that is fundamentally different. Should Iran indeed change its spots, then such a reality would likely also change Israel's strategic map. However in the absence of a deep reason to change, it is more reasonable to assess that Iran will only exploit the carrots

> One must recognize the limitations of power against jihadist-like non-state threats. Military force is capable of removing concrete threats, but is hard pressed to deliver end states that represent another reality.

offered by the US as well as the opportunity to evade American sticks in order to advance its current objectives.

The Israeli strategy for general containment of Iran must stand on three legs. First, it is necessary to exploit the new opportunity for collaboration with actors from the region in order to curb the expansion of Iranian hegemony. It is even possible to look into the possibility of cooperating with elements that in any case operate in the theaters of friction in which Iran also operates – this in order to increase the price exacted from Iran due to its commitments in these various theaters. Second, it is necessary to project force directly at Iran (and not only at its proxies) and develop the ability to conduct an extensive campaign against it. Third, Israel must "kinetically" thwart selected concrete threats in regions in which it has vital interests. As for the nuclear issue, Israel must aim to defend its vital interests diplomatically. However if it becomes apparent that the US is consistent in ignoring Israel's positions, then having no other choice, Israel must seek the circumstances and method that would allow it to attain unilateral influence over Iran's nuclear program.

A Palestinian State and the Anti-State Wave

The diminishment of the Sykes-Picot system and, in its wake, the strengthening of Arab anti-state forces and Iranian hegemony, has a number of implications for the Palestinian issue. First, despite the absence of a solution to the Palestinian problem, Israel and the surviving Arab regimes have come closer to one another. It seems that a solution to the Palestinian problem is no longer a precondition for cooperation (although this is primarily a tacit change); indeed, the majority of those surviving Arab regimes even sided with Israel in the latest conflict in Gaza.

Second, the regional changes and the rise of anti-state forces weaken the premise that calls for the immediate establishment of a Palestinian state. The Fatah movement took the stage during the second regional wave together with Nasserism and the Ba'ath Party; however, today it is an aging bureaucracy suffering problems of internal legitimacy and perceptions and accusations of corruption. What is surprising is that Fatah still survives, and ironically, the force that to a large extent sustains its rule is the IDF. Despite all of the rhetoric, diplomacy, and even violence, two strong and hidden equilibriums support the status quo. The first is the question whether Fatah will survive an IDF withdrawal from the West Bank. The second is the fact that the status quo is more convenient to Hamas than an accord with Israel.

Hamas is affiliated with and part of the Muslim Brotherhood (and enjoys partial Turkish backing), and the Palestinian Islamic Jihad movement is an Iranian proxy. The notion that it is possible to package the three mutually hostile organizations, which represent such contradictory agenda, together with strong local Palestinian elements into a coherent, stable, and peace-seeking state seems far removed from the empirical conditions.

Third, the weakness and volatility of the political structures strengthens the school of thought that the defense of Israel cannot be based on international agreements. And indeed, the security arrangements proposed in the past vis-à-vis Syria would collapse today had they been implemented.[12] The IDF's withdrawal from Gaza in 2005 also provides important lessons, for it brought about the fall of the Fatah regime in the Gaza Strip and loss of Israeli freedom to prevent the emergence of threats. The threat that resulted from the loss of boots on the ground has to date drawn Israel into three military campaigns in the Strip, whose accumulated official cost totals more than NIS 20 billion (the actual cost is much higher). The threat, however, has not been removed, and Israel is forced to continue living under its shadow. There are threats whose emergence may be thwarted, but it is a challenge to remove those threats at a tolerable cost once they have already emerged. It follows that future Israeli strategy must be based on the unilateral prevention of the emergence of threats between the Mediterranean Sea and the Jordan River – and not on risk taking and dealing with threats after they have emerged.

Nonetheless, one cannot ignore the fact that the Palestinian issue continues to disturb Israel's relations with the West and is exacting an increasing price. The settlements, which are perceived as frustrating the possibility for a future political arrangement, are liable to result in Israeli overstretching and the need to pay a disproportionate political and economic price. Therefore, Israel must present the long term objective of a Palestinian state and bestow it with credibility through a unilateral and unconditional cessation of settlement activity. At the same time, Israel must recognize that the objective is not attainable in the existing reality and insist that even in peacetime Israel will maintain the freedom to prevent unilaterally the emergence of threats in the area between the Mediterranean Sea and the Jordan River.

> The weakness and volatility of the current political structures strengthens the school of thought that the defense of Israel cannot be based on international agreements.

Wall Strategy, Alliances, and Drawing Iran into Overstretching

After a hundred years, the Arab-Israeli conflict is losing its edge for several reasons. The Arab regimes that have survived – Egypt, Jordan, Saudi Arabia, and the Gulf monarchies – have become, practically speaking, Israel's allies; countries like Syria, Iraq, and Libya virtually no longer exist; adversarial relations with Hizbollah and its ilk stem from Iranian rather than Arab contexts; and as far as the Sunni jihadists are concerned, Israel is just another target from among many. That said, the conflict with the Palestinians remains.

The new primary fault line lies between the status quo players and those that seek a forcible, nonconsensual change of reality. This new fault line also enables alliances and cooperation with Arab states and with local and ethnic groups such as the Kurds and the Druze. An additional challenge is posed by the loose and stormy regional reality, where a question mark looms over everything and nothing can be taken for granted. Therefore, Israel must prepare itself for a graver spectrum of possibilities than the one presently visible.

Israel, as a player with limited resources and low capabilities for politically engineering third parties, must focus on a defensive "wall strategy." It does not need to entangle itself and waste resources on adventures in the Arab regions beyond its own borders. However, Israel must cooperate with whomever it can in curbing the shocks and in deepening Iran's descent into overstretching itself. Routinely, Israel must exert military force unassumingly in order to thwart selected concrete threats in regions where Israel has vital interests (with the exception of unique contexts such as an extensive campaign against Hizbollah, the defense of Jordan, and others).

Deepened Iranian penetration into Arab regions in which Israel has vital interests, as well as the nuclear threat, obliges Israel to build up force for projecting power and even conduct an extensive campaign against Iran, a strong nation state that does not border Israel. Presumably, Israel will need to ascertain the circumstances and the way of achieving unilateral influence over Iran's path to nuclear arms.

As for the Palestinian issue, the collapse of the Sykes-Picot system and current constraints limit Israel's navigational freedom to a narrow pathway. On the one hand Israel must preserve its relations with the West as much as possible, present the long term objective of a Palestinian state, and immediately freeze settlements; on the other hand, it must recognize and convey the practical difficulties of establishing a Palestinian state,

precisely at a time when Arab state frameworks are unraveling and the different Palestinian organizations are presenting conflicting and mutually hostile agendas. From the loss of its capabilities in Gaza in 2005 and from the three subsequent campaigns it fought in Gaza without having removed the threat, Israel must learn that there are threats that once extant are seemingly impossible to uproot at a reasonable price. Therefore the future Israeli strategy must be based on a military presence in the Jordan Valley and on the freedom to foil threats in the West Bank.

Notes

1   The Sykes-Picot agreement was never realized to the letter. However the agreement and the British and French mandates created in its aftermath laid the foundation for the organizing of states in the region.
2   What added to the confusion of identities at that time was the development of the notion of pan-Arabism, which led to a number of unification attempts between different Arab states.
3   Yoel Guzansky and Erez Striem, "New-Old Borders in the Middle East," *INSS Insight* No. 486, November 19, 2013.
4   Yoel Guzansky and Oded Eran, "Resuscitating US-Saudi Relations," *INSS Insight*, April 2, 2014.
5   The Great Game was a competition between the superpowers for acquiring land and influence in Central Asia in the early nineteenth century.
6   Ron Tira, "Operation Protective Edge: Ends, Ways and Means and the Distinct Context," *Infinity Journal*, IJ Exclusive, September 2014.
7   Mark Lander, "Rice Offers a More Modest Strategy for Mideast," *New York Times*, October 26, 2013.
8   From the attempt to replace Nasser with a friendly president, to the attempt to enthrone the Christians in Lebanon, through aid to the Palestinian "village associations" in order to produce a rival to the PLO.
9   Gallia Lindenstrauss and Oded Eran, "The Kurdish Awakening and the Implications for Israel," *Strategic Assessment* 17, no. 1 (2014).
10 Ron Tira, "Can Iran Be Deterred?" Hoover Institution, *Policy Review* No. 169, October 1, 2011.
11 Michael Doran, "Obama's Secret Iran Strategy," *Mosaic*, February 2, 2015.
12 Security arrangements proposed during negotiations with Syria in the 1990s at Wye Plantation and security arrangements formulated by General Allen for an accord with the Palestinians today seem irrelevant, particularly in light of the collapse of the Syrian regime and the danger regarding the future of the Jordanian regime. See Ron Tira, *Forming an Israeli Policy toward Syria* (Tel Aviv: Yediot Ahronot, 2000), pp. 146-51.

Cyber Jihad in the Service of the Islamic State (ISIS)

Adam Hoffman and Yoram Schweitzer

In early 2015 US President Barack Obama stated that terrorist organizations such as al-Qaeda and the Islamic State (hereafter ISIS) use the internet and social media to recruit young Muslim operatives to their ranks by radicalizing their views: "The high quality videos, the online magazines, the use of social media, terrorist Twitter accounts – it's all designed to target today's young people online, in cyberspace."[1] The President's statement helped position the use of cyberspace by terrorist organizations at the center of the struggle against terrorism in the current age in general and against the ISIS phenomenon in particular.

The use of communications media by terrorist organizations is not new, but the technological tools available in recent years has affected the nature of their activities and thereby changed the nature of the perceived threat they pose. As part of these changes, cyber jihad has begun to occupy a central place in the discussion on how to contend with ISIS. This article defines cyber jihad, surveys its characteristics, examines its central influence in establishing the ISIS image, and probes ways of contending with this challenge. The intensive use that ISIS makes of cyber jihad as a tool for recruitment, radicalization, and dissemination of propaganda makes the struggle against this element no less important than the physical engagement with its forces and the prevention of its geographic expansion.

What is Cyber Jihad?

The term "cyber jihad" refers to use of 21st century technological tools and cyberspace (the environment in which communication between computer

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networks occurs) in order to promote the notion of a violent jihad against those classified by its followers as enemies of Islam. While the concept of cyber jihad has evolved over the years, the use of online space by jihad organizations per se is not a new phenomenon: a popular manual published already in 2003 extolled the "electronic jihad," which includes participating in forums and hacking websites with the aim of participating in the media battle against the West and the perceived enemies of Islam in the Arab world.[2] This manual and others attest to the tremendous importance that Salafi-jihadi organizations attribute to online space, which enables them to circumvent the barriers placed before them by various state institutions and security organizations and disseminate the message calling for a violent struggle against the West and the "infidel" Arab regimes without interruption and faster and more easily than ever before.

The internet, which was the main online communications medium in the late 1990s and early 2000s, initially served as the primary platform for cyber jihad by Islamic terrorist organizations. However, recent years have seen far reaching technological developments, particularly the rise of social media, which facilitate the use of cyberspace by terrorist entities and allow additional courses of action, especially internet-based services and applications that enable users to share content. Currently, the cyber jihad concept refers mainly to the use of online social networks such as Facebook, Twitter, YouTube, and Tumblr.[3] Yet while social media has evolved a great deal, some basic properties characterizing this type of communications media remain: the content in social media is user-based, enables and encourages sharing and interactivity, and is characterized by a rapid flow of information between people. As such, the communication on social media is fundamentally different from the internet, which is hierarchical in nature and based on fixed sites and closed forums.

Cyber Jihad in the Service of ISIS

Although the use of cyberspace by jihad organizations is not new, ISIS uses the internet, and primarily social media, more than any other terrorist organization before it. In addition to the organization's technological capabilities, it appears that its primary innovation in its use of cyber jihad is its role in transforming ISIS from yet another Islamic fundamentalist terrorist organization into a global brand name that features prominently in the public discourse in the West, as well as in the Muslim world. As part of its efforts to influence Middle East and global public opinion and

brand itself, ISIS disseminates propaganda materials using a well-designed online magazine in English called *Dabiq* and produces high quality movies that are disseminated on YouTube, Twitter, and various websites affiliated with the organization.

Furthermore, the organization targets and exploits online social networks for its own needs on an unprecedented scale. ISIS makes extensive use of Twitter, Facebook, Tumblr, and Instagram, and according to senior American officials, operatives and supporters of the organization produce up to 90,000 tweets every day. [4] A recent extensive study found that ISIS supporters operate at least 46,000 independent Twitter accounts, with 200-500 of these accounts active all day, thereby helping to disseminate the organization's propaganda.[5] In addition, the organization developed an application for mobile devices called "Dawn of Glad Tidings," which for a while was available for download in Google and Apple app stores and enabled its supporters to follow the organization's activities in real time. Downloading the application allowed ISIS to take temporary control of the Twitter account of the said user and publish messages in his/her name. In this way, ISIS, as part of its social media strategy, managed to generate a significant volume of activity on Twitter and exploit the accounts of the application users to raise the online profile of the organization in a coordinated campaign.[6]

In addition to the extensive use of social media by the organization's operatives and supporters, ISIS' cyber jihad includes offensive use of online space for attacks on websites. Jihad organizations often refer to this offensive activity as a *ghazwa* (raid/attack, in Arabic), in the spirit of the raids in which the Prophet Muhammad participated in the seventh century against the infidels. This was how the September 11 attack was referred to by its planners,[7] and various jihad organizations in Syria use this term to describe their military operations against the Assad regime. Similarly, ISIS supporters characterize the digital attacks as an "electronic raid (*ghazwa*)."

Prominent examples of this type of cyber jihad are the ISIS takeover of the social media accounts of the US Central Command and of French websites following the terrorist attack on the *Charlie Hebdo* magazine. In the first case, ISIS supporters hacked into the Twitter and YouTube accounts of the United States Central Command (CENTCOM), which is responsible for US military activity in the Middle East and for coordinating the international coalition attacks against ISIS. After taking over these accounts, hackers replaced the official American emblems with the ISIS black flag and broadcast from

these accounts messages supporting the organization that announced its presence on US military bases – ironically, at the same time that President Obama was delivering a speech in Washington on cyber security.[8] In the second case, hacker groups affiliated with ISIS attacked more than 19,000 French websites in the week following the terrorist attack on *Charlie Hebdo* in Paris, and the servers of these sites collapsed because of the attacks. This cyber attack was described by a senior French official as "unprecedented," and the first time that a country has dealt with a cyber attack on such an extensive scale. [9]

The Role of ISIS Cyber Jihad

ISIS perceives the cyber jihad as an integral part of its overall strategy, alongside its military combat and takeover of territories, and as serving several functions. First, the use of social media – and particularly the manipulation of online social networks, such as by using the Dawn of Glad Tidings application – enables ISIS to generate a volume of activity in social media greatly exceeding the organization's true dimensions, and thus serves as a force multiplier and an effective medium for psychological warfare. The combination of a high noise level in social media with images and video clips of atrocities creates a deterring and frightening effect, which succeeds in influencing the morale of ISIS' adversaries. A clear example of this can be seen prior to ISIS' takeover of Mosul, the second largest city in Iraq, in early June 2014. The organization's takeover of the city was considered by most analysts to be impossible, as the ISIS fighters who took part in the fighting numbered roughly 1,500, against thousands of Iraqi soldiers armed with American weapons and equipment defending Mosul, at a ratio of 1:15.[10] However, to the surprise of many (including, apparently, ISIS itself), the militants managed to take over the city after four days of fighting, while many Iraqi soldiers shed their uniforms and tried to assimilate into the civilian population in an attempt to evade their attackers.[11] Alongside the structural weaknesses of the Iraqi military, the use that ISIS made of social media apparently had a significant role in this move. Commanders and fighters in the Kurdish Peshmerga forces attested that ISIS had begun a social media campaign nearly a year before the conquest of the city "in order to show how they kill people and even take their children and kill them. This is truly psychological warfare and I can testify that it is successful."[12] In this manner ISIS manages to use

cyber capabilities to enhance its image as a powerful and unstoppable force, much beyond the actual number of fighters that are at its disposal.

Second, in order to leverage opportunities for recruitment, ISIS uses social media as a marketing tool, and for this purpose implements a strategy tailored to individual target audiences. John Horgan, a forensic psychologist who specializes in the psychology of terrorism, noted that the opportunities currently available to recruiters for terrorist organizations for communicating with young people in the wake of the popularity of social media are "unique" and "bigger than ever in the history of terrorism."[13] The message that is disseminated differs between men and women and uses symbols and images that are tailored to the respective target audiences. For young men, ISIS uses images from the days of early Islam of knights on horses, epic battles, and glory on the battlefield, which are displayed in the publications of the organization and on high quality video clips. For women, on the other hand, the marketing of the message uses "softer" images, such as pictures of kittens (such as the Twitter account @ISILCats) and Tumblr, which is more popular among women.[14] Alongside the "softer" images, ISIS also disseminates messages of female empowerment with photos of armed operatives in the al-Khansaa Brigade (the women's unit of ISIS named after a female Muslim poet from the time of the Prophet Muhammad), which conveys the message that "in ISIS, women carry weapons and are capable of defending themselves." The message is that in a fundamentalist organization such as ISIS women can gain protection, status, and empowerment that they could not attain in the traditional society in the Arab world or even in the liberal West. In this manner ISIS "sews" different marketing suits, depending on the target audience – male or female, Muslim or Western – and communicates with a global audience using social media.

Foreign Fighters and "Lone Wolf" Terrorist Attacks

ISIS cyber jihad is conducted on nearly every possible channel, and thereby maximizes the possibilities inherent in online space for disseminating its messages. The two principal effects of this effort are the accelerated recruitment of foreign fighters joining the organization and the encouragement of terrorist attacks in the West perpetrated by "lone wolves." The precise number of foreign fighters who have joined the organization is unknown, but according to various estimates, it currently stands at more than 20,000, of whom some 4,000 are Western volunteers. This number exceeds the

number of those volunteering to fight against the Soviet Army in Afghanistan from 1979 to 1989, which is considered the conflict that had drawn the largest number of foreign fighters in the second half of the twentieth century.[15] ISIS activity on social media is ascribed a key role in this trend and many organizational recruits (as well as people who attempted to join the organization but were arrested by the security agencies of the various countries prior to enlisting) attest that the content on social media affected their decision to join its ranks.

Some researchers have noted that social media should not be credited with an exclusive role in this process of radicalization and recruitment. Max Abrahms argues that the battlefield successes of ISIS constitute a more significant factor in the decision to join its ranks than the organization's effective use of social media, and Thomas Hegghammer attributes the flow of foreign fighters to poorly policed borders and the ease of travel to Syria.[16] Nonetheless, it seems that social media indeed plays a key role in this phenomenon, since it presents ISIS as a winning brand, encourages volunteers to join, and even instructs how this can be done. An e-book published by ISIS, titled *Hijrah* (migration/journey, in Arabic) *to the Islamic State*, details how to reach the caliphate territories and what the prospective traveler should pack.[17]

In addition to facilitating the flow of foreign fighters, ISIS cyber jihad strategy encourages the phenomenon of "lone wolves," who, inspired by the organization but with no official connection to it, perpetrate terrorist attacks in the West. For instance, the terrorist attacks in Sydney, Paris, and Copenhagen were perpetrated by individuals who were influenced by ISIS and used its flag, but were not formally affiliated with the organization. ISIS saw these terrorist attacks as a success and appropriated them for itself. The organization also released video clips praising Omar el-Hussein, the terrorist from Copenhagen, and called for additional terrorist attacks by lone wolves.[18] Lone wolf attacks, which are for the most part perpetrated with no early warning, allow ISIS to operate outside the Middle East through sympathetic operatives and supporters. The message to Muslims in the West is thus that even if they cannot immigrate to the territory of the Islamic State and join its ranks, perpetrating terrorist attacks and attacking Western symbols in their countries constitutes a worthy alternative. The use by ISIS of social media inspires such acts, conveys remote instructions with respect to the preferred targets without the need for physical communication between the perpetrators and ISIS members, and confers the official

blessing of the organization subsequent to the attack on the perpetrator. The lone wolf phenomenon, which has already materialized several times, currently poses a significant threat to Western countries, particularly in face of what is disseminated through social media.

Contending with the Cyber Jihad Challenge

Cyber jihad poses a significant challenge to the countries contending with ISIS in two principal respects. First, ISIS' use of cyberspace has dramatically lowered the obstacles to participation in the organization's activities and thereby eased the recruitment of additional operatives and the ideological support of its actions. A clear example of this is the case of Mehdi Masroor Biswas, an Indian hi-tech executive who operated the popular Twitter account @ShamiWitness. This account, which has more than 17,000 followers, openly supported ISIS and praised the foreign fighters who were killed in its ranks. After his exposure, Biswas said that he would have been glad to join ISIS himself, but since his family needs him, he did not leave his home and travel to Syria or Iraq.[19] In the current age of communication, anyone can support ISIS from a distance and thereby provide ideological support and public legitimacy to the organization – and ISIS thoroughly exploits this possibility.

Second, ISIS makes extensive and effective use of various social media platforms and optimally exploits the extensive decentralization in the current age of communication and the difficulty in preventing the circulation of information. Since ISIS messages spread through thousands of different accounts of individual users and not through one central website, it is nearly impossible to curb the dissemination of its contents. This understanding of the technological possibilities inherent in cyberspace allows ISIS significant freedom of action in disseminating propaganda, recruiting, and making contact with operatives and supporters, and complicates contending with the organization's message online. ISIS' extensive use of social media has led Robert Hannigan, head of the British intelligence organization GCHQ, to assert that this poses a tremendous challenge to government and intelligence agencies responsible for thwarting and fighting terrorism. Hannigan even described the internet and social networks as "the command and control network of choice for terrorists."[20]

In order to contend with the challenge of cyber jihad, different countries opt for one of two principal approaches: a technological battle against the online presence of ISIS, and the use of social media to disseminate counter-

propaganda. According to proponents of the technological approach, in order to stem the use of social media by terrorist organizations, it is necessary to block access to online space by these organizations: close their Twitter and Facebook accounts, block users affiliated with terrorist organizations, and thereby deny ISIS and other terror organizations the option of exploiting these communication channels for their own purposes. As part of this effort, the French Minister of the Interior, Bernard Cazeneuve, visited Silicon Valley in February 2015 and met with representatives of technology companies to obtain their cooperation in combating ISIS's use of the internet.[21] This move was designed to allow governments to change the status quo, in which cyberspace constitutes an open and unregulated field.

While the desire to deny terrorist organizations the freedom of action on social media is understandable, the effectiveness of this solution is limited. Although social networks have recently adopted a censorship policy designed to prevent the dissemination of violent contents that encourage terrorism,[22] this censorship takes place only after the contents have been uploaded onto the various websites and social media accounts – and in many cases their removal occurs after hundreds of thousands of people have already viewed them. Therefore, this measure has an important but limited effect. Moreover, for every account that is closed, a number of new accounts are immediately opened in its place, so that it is impossible to completely prevent users from using social media for purposes of terrorism over time – unlike forums and websites, which can more readily be closed and disabled.

In contrast to the approach that advocates the suspension of accounts of users affiliated with terrorist organizations and thereby limit their influence on social media, another approach recognizes the influence of social media and seeks to take a more proactive line that would exploit this influence in favor of the struggle against these same terrorist organizations. This approach seeks to exploit cyber activity against ISIS, with the aim of influencing potential supporters of the organizations who are exposed to its content on social media. A prominent example of this approach is the US State Department's social media campaign, "ThinkAgainTurnAway." Through an official English-language campaign that began in December 2013[23] under the hashtag #ThinkAgainTurnAway,[24] the State Department is attempting to engage with the recruitment and propaganda efforts of ISIS on these channels and influence potential recruits and supporters of the organization. The campaign includes video clips, text messages, and

images, and is active on the same platforms that ISIS uses to disseminate its content, i.e., YouTube, Facebook, Twitter, and Tumblr.[25] The campaign's content includes images of ISIS atrocities and testimonies of operatives who were active in the organization and were disillusioned by its extremism and brutal activities. The campaign thus attempts to counter the narrative that ISIS and other organizations promote online, and by that turn social media against them.

In conclusion, ISIS' cyber jihad activity has managed to create a powerful image for the organization in global public opinion, which has also affected the forces actually engaged in the fight against it. However, it appears that in recent months, the combined struggle against ISIS is managing to halt the momentum of its territorial conquests, primarily in Iraq and partially also in Syria. The organization lost its control of the city of Kobani in Syria and in Tikrit in Iraq, while in other areas its forces have been curbed by the Western-backed Kurds and by the Shiite militias. These physical achievements in the campaign against ISIS are vital to defeating the organization, but the struggle against ISIS must also take place online, where its cyber jihad activity continues in full force and extends its influence to regions outside the Middle East. This activity lures potential supporters to travel to the Islamic State territories in Iraq and especially Syria. This being the case, it is clear that the extensive and potent use that ISIS makes of cyberspace requires a widespread and targeted confrontation with the challenge, comprising an ideological response to its messages and a struggle to reduce its massive and effective presence on online social networks. Only such a combined confrontation, in addition to the targeted use of military force and an effort to discredit ISIS' ideological message and its methods of circulation together with technology companies, may help curb the ISIS phenomenon. Containing the territorial conquests of ISIS and reducing the appeal of the ideological message that it offers potential supporters are vital to curbing ISIS, both in cyberspace and in the "real," offline world.

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The National Intelligence Estimate Mechanism in Israel

Shmuel Even and David Siman-Tov

What is a National Intelligence Estimate?

A national intelligence estimate is the product of research by the country's official intelligence organizations for the sake of undertaking situation estimates, formulating policy, and making strategic decisions in the field of national security. In Israel, for example, this means decisions concerning war and peace, strategic foreign relations, the management of security risks, the defense budget, security forces buildup and operation, internal state security, and more. An intelligence estimate at the national level (henceforth: "intelligence estimate" or "assessment") is also necessary for processes of thinking and planning in staff organizations.

A national intelligence estimate referring to the external environment (i.e., outside the country) differs from a national intelligence estimate referring to the internal environment, which deals with terrorist activity, subversion, and espionage carried out primarily by citizens and foreigners residing within the country. This essay deals principally with the estimate referring to the external environment.

An intelligence estimate at the national level is presented several times a year. The estimate may be given in the context of a particular strategic event (e.g., a heightened risk of war), issue (e.g., terrorism), or geographical arena, or serve as a prelude to an action on the part of the security forces. At least once a year, the government is presented with a comprehensive intelligence assessment, called the National Intelligence Estimate, covering the entire strategic environment. This is only one of the many intelligence estimates at the national level discussed by this essay. The initiative for preparing

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an estimate may come from the intelligence organizations themselves or from intelligence consumers.

An intelligence estimate is meant to include three components: a current intelligence estimate (including a process analysis), a forecast (at times through the use of scenarios), and the significance for decision makers, i.e., risks and opportunities. Maximizing the estimate of risks and opportunities, analyzing methods of operation, and making recommendations are processes enabled by a situation estimate that includes an intelligence estimate. Intelligence organizations may append their recommendations separately from the intelligence estimate they have prepared.

An estimate consists of many layers and includes integration of material from different research disciplines: political, military, social, economic, technological, psychological, and demographic; integration between intelligence situations in different geographical arenas; integration between an estimate of capabilities and an estimate of intentions; and more. These components are part of a comprehensive intelligence situation estimate, with the integration a research endeavor unto itself. In addition, intelligence estimates must be adjusted to supplement situation estimates: e.g., how would certain players in the arena respond if national forces act in a certain manner.

It is possible to delineate three tests to determine the quality of an intelligence estimate:

a. *The professionalism test*. The estimate must meet research standards, among them completeness of information, cross-checked information, cause and effect analysis, and clarity. The estimate should be free of any extraneous considerations.

b. *The reality test*. In hindsight, the estimate must be judged whether or not it was "right" (matched reality) or "justified" (appropriate to the time it was presented). There is often a large gap between the decision makers' expectations and what intelligence estimates can say about the future.[1]

c. *The utility test*. The relevance of the estimate and the use made of it must also be examined. For example, one should be able to question the value of providing annual intelligence estimates after the defense budget for the following year has already been passed.

The National Intelligence Estimate in Israel: Process and Content

The Israeli intelligence community includes the IDF's intelligence bodies, headed by Military Intelligence (MI), the Israel Security Agency (ISA),

and the Mossad, which are subordinate to the Prime Minister. Other less dominant members are the Israel Police Investigative and Intelligence Division and the Center for Political Study at the Foreign Affairs Ministry.[2] The national intelligence estimate is undertaken by the research bodies in these organizations, each within its field and independently of the others. Any cooperation, to the extent it exists, is entirely voluntary.

Intelligence estimates are submitted to the political echelon and security establishment both in writing and in person. The primary recipients of the intelligence estimate are the Prime Minister and Defense Minister, as well as the Minister of Foreign Affairs and the chair of the Knesset Foreign Affairs and Defense Committee. At MI, the head of the research division may submit written intelligence estimates to the Prime Minister independent of the head of MI, who himself may express his opinion independently without prior consultation with the IDF chief of staff. Presentation of the annual intelligence estimate before the Cabinet or the government is a major event with much educational significance, but its importance should not be overstated. The political echelon may decide to act on the basis of the intelligence estimate or may decide not to adopt it. Given Israel's governing structure, a Prime Minister's decision not to adopt the MI intelligence estimate, such as a war alert, may require the government's agreement.

Security risks are a major component of estimates. For example, the 2014 intelligence estimate, presented before the Cabinet in November 2013, dealt, inter alia, with terrorist organizations, the Iranian nuclear project, the stability of regional regimes, and the situation in Syria. Even then, it was reported that Gaza was making concerted efforts at digging attack tunnels through which it would be possible to attack communities in the Negev.[3] In the political sphere, the prominent question concerned whether Abu Mazen was likely to make an historic decision on an agreement with Israel. The estimate concluded the chances were slim.[4] Unlike military intelligence estimates, in the political field it is sometimes difficult to assess what is a risk and what is an opportunity. For example, would the fall of Assad's regime in Syria be a risk or an opportunity for Israel? In some issues, the question of opportunities is not disconnected from the subjective political position of the beholder.

In recent years, intelligence estimates have become a more difficult challenge because of the collapse of the old order in the Middle East, which has given rise to many new entities, unstable spheres, and interactions of unforeseeable result. Social and cultural processes, of which no intelligence

organization took sufficient heed, rose to the surface to affect the arena more than the familiar armies that until then had been at the center of the EEI (essential elements of information). In January 2015, Brig. Gen. Itai Brun, the head of the research division at MI, said that under the current circumstances it was nearly impossible to expect intelligence services to forecast events accurately. In the past, processes took a long time; at present, much happens with dizzying speed. According to him, cyberspace and the use of missiles and rockets, which do not require a long planning process, shorten the enemy's path from thought to action.[5]

In terms of the peace process, the greatest decisions by Israel's heads of state were not made in consultation with the intelligence assessors. Perhaps the heads of state received information through secret channels of their own; or perhaps the decisions were subject to political disagreement and the heads of state were worried about leaks to political rivals on both sides that might have undermined the contacts. However, ignoring intelligence estimates has its price. For example, during the Oslo Accords period (1993-95), Prime Minister Yitzhak Rabin and Foreign Minister Shimon Peres rejected the MI estimate that the Palestinians would not accept a compromise on the establishment of an independent Palestinian state at the stage of the permanent settlement, and relied on their own estimate that the PLO would be willing to settle for autonomy.[6] In general, the "new Middle East" school of thought among Israel's heads of state at that time was not supported by the intelligence estimates. By contrast, the IDF intelligence estimates, which warned of a violent Palestinian response resulting from the failure of the July 2000 Camp David talks, contributed to the preparedness of the IDF when the second intifada broke out.[7]

National Intelligence Estimate: Division of Labor in the Intelligence Community

Israel's military research is carried out in the IDF at MI (in its research division) and at the research departments of the various commands and branches. Research on terrorism takes place in the IDF, the ISA, and the Mossad. Research on nonconventional weapons takes place at MI and the Mossad. Research on political issues takes place in MI, the Mossad, the Foreign Ministry, and ISA (on the Palestinian arena).[8] There are several reasons for these redundancies, as explained below. ISA alone is in charge of research and internal national intelligence estimates in terms of terrorism, subversion, and espionage.

The status of MI in the critical channel of Israeli security decision making processes means that since its inception, one of its traditional missions has been to provide a national intelligence estimate on the environment external to Israel. It is therefore also known as "the national assessor,"[9] with the research division being the body that undertakes MI's research and estimate.

Over the years, the MI status as national assessor has waned. At first it was the result of the MI failure to issue a warning on the Yom Kippur War in 1973, whereupon it was decided that Israel needed pluralism in research to elicit a variety of opinions in the intelligence community so as to reduce the failures stemming from a fixed, institutionalized way of thinking, groupthink, and the political leadership's dependence on a single source of information. Pluralism is to this day one of the reasons for the overlap in the research system of the intelligence community. For example, when it comes to war alerts – both a political and a military matter – different opinions on military issues may emerge from the MI research division and the research departments of the commands, just as different opinions on political matters may emerge from the MI research division, the Mossad, and the Foreign Affairs Ministry. However, research in both fields takes place only in the MI research division, and it is impossible to provide a reliable alert without integration between the two.

According to the pluralism principle, when it comes to issues on which research is shared by MI and civilian organizations, all research should theoretically carry similar weight in terms of government influence. Sometimes the civilian organizations' estimates will be preferred to MI's. The difficulty liable to arise in the former's estimates is that both the responsibility for the threat estimate and the responsibility for foiling the threat are subsumed under the same authority, in a relatively small and clandestine institution with direct, unmediated access to the Prime Minister. These features are liable to shorten the road from an erroneous estimate to a strategic crisis, as was the case, e.g., in the Mossad's failure to assassinate Khaled Mashal in Jordan in 1997.

Another stage in the downgrading of MI was the result of the growing strength of the civilian intelligence services (ISA and Mossad) as the war on terrorism and the nonconventional weapons threats intensified, especially since the beginning of the new millennium.[10] The rise in their status was attended by their desire to affect the political agenda, in part by providing intelligence estimates at the national level to the government

on both security and political issues – not merely as a second opinion to the MI estimate, in the name of the pluralism principle, but as the first opinion from organizations equal in rank to that of the IDF. Thus, the presentation of the annual national intelligence estimate to the Cabinet has become a series of presentations by intelligence organizations on various important topics, rather than a central, integrated presentation on the strategic environment around which other presentations and opinions are presented, as was the case in the past.

Although MI has long since ceased to be the exclusive national assessor, it still leads in the field of national estimates. Its senior status in the field is demonstrated by the two hats it wears. The first – MI as the IDF's intelligence officer, whereby it provides the intelligence estimates for situation estimates, operational plans, and the IDF's working plan, approved by the chief of staff, defense minister, and government – the army's supreme commander. The second hat – MI as "the national assessor": it provides a comprehensive intelligence estimate to the political echelon as part of the annual estimate, as well as during complex events such as Operation Protective Edge, in which integration across several areas (military, political, economic) was required and cut across all the nations and organizations involved. The MI research division is the only body that undertakes in-depth research of all these topics, and this capability is a national resource the country must use effectively.

The Problem: The Weakening of the National Estimate Mechanism

Because of the change in the status of MI as the organizational axis of the intelligence estimate at the national level, recent years have seen the emergence of a problematic alternative whereby every intelligence organization presents its independent opinion and leaves the government to make the decision. This situation, unknown elsewhere in the world, entails the following risks:

a. *Qualitative risk*: The lack of clarity about the differences among the estimates and their sources, with insufficient distinction between estimates and opinions that are not informed by in-depth research, and the evolution of an estimate into a non-binding discourse. In addition, there is the lack of integration and gaps in covering the intelligence situation on basic or less intriguing or seemingly more marginal issues (e.g., the surprising upheavals in the Arab world, beginning in Tunisia

in 2010), and even the detachment of the estimate from its primary objective – the force buildup and operation of the IDF.

b. *Organizational risk*: Organizational isolationism, lack of clarity as to responsibility, a dearth of shared research activity in the intelligence community. Pluralism and the desire for autonomy might serve as justification for unnecessary and costly redundancies in operative areas, while the challenges and constraints on resources require concentrated efforts and the effective use of national resources.

c. *Risk to the decision makers*: Flooding the leadership with information and estimates and damage to the effective use of discussion time. Decision makers do not have the time to identity the differences among the estimates and do not have the tools to make an informed decision about them. The military secretary to the Prime Minister and the Prime Minister's intelligence aide may help the Prime Minister in sorting the many documents reaching the Prime Minister's Office,[11] but they are not qualified to make estimates; moreover, filtering estimates flies in the face of the pluralism principle.

An International Perspective

The United States

The US intelligence community is composed of 16 different intelligence organizations, including the CIA, the NSA, organizations within the Defense Department, and others subordinate to the US Army, intelligence and enforcement bodies in the Justice Department (e.g., the FBI) and the Homeland Security Department, and the intelligence agencies of the State Department and the Treasury.

The community is headed by the Director of National Intelligence (DNI), who serves as the President's advisor on intelligence and is directly subordinate to him. He is supervised by the intelligence committees of the House of Representatives and the Senate. Subordinate to the DNI is the National Intelligence Council (NIC), which is responsible for the formulation of the national intelligence estimate. The NIC employs, among others, 13 estimate officers, each of whom is in charge of assessing a geographical region or field.

The process of formulating an estimate may be regularly scheduled or undertaken in response to a request by a senior member of the administration, the military, or Congressional committee chairs. After receiving the approval of the DNI, the relevant NIC office prepares a preliminary outline that

includes key questions that will be discussed in the document and a schedule for formulating the estimate. The draft is forwarded to the intelligence agencies for comment. The estimate team at the NIC conducts a dialogue with these agencies in order to reach an agreement; if it is not attained, this is noted in the document. At the end of the process, the estimate is approved by the DNI and provided to the requesting party and to other relevant consumers in the administration.

In March 2009, Director of National Intelligence Dennis Blair noted that in the future, the intelligence estimate would also include an identification of opportunities for the United States.[12] However, the risk aspect remains the leading element of estimates. Estimate fields go beyond security and politics and include, e.g., estimates on global water security, the threat to national security from organized crime, the effects of climate change by the year 2030, the strategic effect of global health, and more.[13] Non-classified versions of the intelligence estimate are made public, especially during testimony by senior intelligence figures to the Senate, such as the testimony of the DNI to the Senate in 2014.[14] Issues on the political agenda relating to Iran, Iraq, and the war on terrorism command much public attention.

The annual intelligence estimate is considered one of the preeminent products of the intelligence community. Its formulation takes place in a complex, inter-departmental process led by the NIC, headed by the DNI.[15] In September 2014, DNI James Clapper said that integration among the intelligence institutions is critical and exactly the reason and justification for the existence of his office.[16] The intelligence community exerts much influence on decision makers, yet the sense is that for several reasons the annual estimate usually has little impact.[17] One reason is the gap between the expectations of the political echelon and what intelligence researchers are capable of forecasting. For example, the political echelon expects to receive clear forecasts about unstable nations, even though forecasting in this case is virtually impossible. The second reason is the inferior quality of the product. Often because of so much input and the desire to bridge disagreements, the estimate reflects a very low common denominator of the estimates of the various bodies, i.e., a not-necessarily successful compromise. Similarly, groupthink in the estimate process wears down dissenting voices.[18] Furthermore, equal status is granted to the estimate of each and every agency, whereas in reality, not all have the same level of knowledge at their disposal. All of these flatten the estimate and delay its formulation, making the final product blunt, uninteresting, and inelegant.

There are several steps that could improve the process:[19]

a. Strengthening routine contact between the political and intelligence echelons by means of intelligence briefings as positions in the administration are filled; placing intelligence personnel in working ranks in government ministries and the administration; holding periodic meetings for discussing routine issues where feedback will be received from the political leaders for dissemination in the intelligence community.

b. Raising the status of Congress in terms of oversight of the estimate. To achieve this, it is necessary to familiarize members of Congress further with the intelligence process.

c. Straining less for agreement and allowing a greater voice for minority opinions.

d. Promoting the tools for undertaking ongoing networked estimates among the members of the intelligence community so that there is an estimate in real time rather than an annual document.

The United Kingdom

The UK intelligence community consists primarily of the Ministry of Defense intelligence bodies, MI6 (subordinate to the Foreign and Commonwealth Office), MI5 (subordinate to the Home Office), and the Government Communication Headquarters. The Joint Intelligence Committee (JIC), subordinate to the Cabinet, coordinates the national intelligence estimate.[20] In addition to the permanent staff on loan from the intelligence agencies, members of the committee include the heads of the intelligence agencies, the heads of the intelligence organizations of the armed forces, and representatives of other government ministries (such as Her Majesty's Treasury and the Department for Business, Innovation, and Skills) who all meet weekly. The chair is a neutral figure, subordinate to the Secretary of the Cabinet, who operates on the basis of consensus rather than by imposing his/her authority.

When it comes to the national intelligence estimate, the function of the JIC is to formulate the integrated estimates so as to help the heads of state make decisions, for example, regarding the national budget.[21] Work on the national intelligence estimate is carried out by the committee's research institution, composed of officers and intelligence personnel on loan from the various intelligence agencies. It drafts a document in consultation with the other intelligence agencies and experts at all the government ministries. The draft is brought before the committee for approval before

it is disseminated to the relevant ministers.[22] The committee's estimate group is much smaller than the community's biggest research institution, which is part of the Ministry of Defense.[23] Therefore, when the JIC is asked to assess security and strategic issues such as terrorism and the proliferation of nonconventional weapons, issues that are researched in depth by the Ministry of Defense, the committee relies on the former and contributes less of itself to the estimate. Some sources therefore feel that the JIC has been weakened and marginalized in recent years and that its ability to undertake intelligence integration has been damaged due to reforms and changes in the British intelligence community.[24]

The Estimate Processes: Israel vs. the United States and United Kingdom
Israel does not have a body that coordinates the national estimate of all the intelligence services, as do the United States and the United Kingdom (the DNI and JIC, respectively). Moreover, in Israel, there is no binding dialogue among the intelligence organizations about intelligence estimates, and there is no systematic clarification of disagreements before the estimates are presented before the cabinet. By contrast, the United States and United Kingdom make an effort to reach a broad consensus, and disagreements are presented as part of the estimate. Still, in Israel there is freedom of estimate and there is little chance that the opinions of the organizations will be flattened or that the estimate will be politicized.

In Israel, MI has a unique standing in terms of the national estimate compared to the situation in the United Kingdom and especially the United States, where the CIA enjoys preeminence in the estimate process. Still, the civilian espionage agencies – closed and clandestine – do not necessarily enjoy an advantage over a military organization in the democratic process. In Israel, the intelligence estimate occurs only in the fields of security and foreign affairs. In the United States, the estimate also covers issues related to national security in the broader sense, such as the economy, society, climate, energy, and more. Like Israel, the United States and the United Kingdom focus more on the risks and less on the opportunities. Finally, claims in the US discourse about the annual estimate are also made about the Israeli intelligence estimate concerning the length and clumsiness of the process, the overload of data, and the gap between the political echelon's expectations and the intelligence community's capabilities.

Conclusions

Based on the comparison above, it appears that it would be best were Israel to avoid establishing a central estimate body to stand above the intelligence organizations, similar to the situation in the United States and United Kingdom. This model has drawbacks, including flattening the estimate in the process of generating consensus, placing another layer between the decision makers and the intelligence mechanisms, giving too much power to the central estimate body, and the constraint on resources.

At the same time, Israel would do well to implement ideas from the processes in the United States and United Kingdom described above, such as the need for the existence of an organizing axis for presenting the estimates and clarifying disagreements before debate in the government.

Thus for Israel, MI should remain the leader in the comprehensive national intelligence estimate as long as security and the operation of the IDF remain at the top of Israel's national agenda. This means retaining MI's full responsibility for research of all issues in the external arena, including integrating and formulating the overall picture, as has always been the case. While presenting the annual estimate, the other organizations should present their findings, each in its particular field, with emphasis placed on the essential differences among the research bodies in the community and avoiding redundancies. This recommendation does not suggest fundamental changes in the research bodies in the community, other than expanding them to fields in which there is little coverage. For now, transferring the leadership to a civilian espionage organization, such as the Mossad, is a less favorable alternative. The organization does not deal in-depth with military research and the task is not suited to its nature – clandestine, operational, and compact – or to its major mission, i.e., foiling nonconventional weapons threats and terrorism abroad. In addition, chances are slim that the IDF would be operated by the political echelon on the basis of intelligence estimates that had not gone through the decision making axis of the chief of staff and defense minister.

Presentation of the intelligence estimate to the political echelon should be regulated by means of a government procedure that ensures it is complete, sequential, integrated, relevant, uses a common language, expresses the differences among the estimates, assumes responsibility for the presentation, and so on. Such a format would provide reference to the following:

a. Renewal of responsibility in the intelligence community's research and estimate field, both in terms of sharing the responsibility among

the organizations and in terms of areas of responsibility and the limits of the intelligence community's responsibility, so that the research coverage of the community would be full and integrated, with controlled pluralism on key issues.

b. Systematic clarification of the agreements and disagreements among the organizations. Before being presented to the political echelon, a preliminary debate about it should be held among the intelligence organizations at the Ministry of Intelligence together with the National Security Staff, and earlier still in a meeting among the heads of research in the intelligence community. When it comes to areas in which there is agreement, there would be no need to present the issue to the government twice; when it comes to areas in which there is disagreement, each would present its agency's stance. Before the debate, a document on the issue would be distibuted.

c. It is important to present dissenting opinions by foreign intelligence organizations to the political echelon on relevant issues.

d. Institution of a common estimate language in the community, while avoiding vague and/or ambiguous terminology. Uncertainty must be described clearly (e.g., by using a scale). A common language would allow a comparison among estimates and be more useful to the intelligence consumers.

e. The annual intelligence estimate would be presented at relevant times for preparing the security establishment's working plans and defense budget decisions.

f. At least once every three years, the government would be presented with a multi-year intelligence estimate that would be devoted to long term trends.

g. Every intelligence estimate would also be submitted in a detailed document that would make sure the estimate was reasoned and supported, based on full information, and documented.

In addition, there should be increased cooperation on research within the intelligence community. To this end, an inter-service research committee should be established, subordinate to the committee for the heads of the services. The committee would deal with cooperation in methodology, research training (joint courses, preparation of literature), clarification of disagreements, coordination of research coverage, mobility of personnel

within the community, initiation of debate, external research relations, and a community-wide working program for basic research.

The relationship between the political echelon and the intelligence community should be strengthened, including: giving intelligence briefings for politicians entering office, not only on intelligence contents but also on the nature and limitations of intelligence estimates; holding periodic meetings between intelligence personnel and the political echelon; having the heads of state brief the intelligence community on their needs; and providing feedback on the quality of the intelligence community's output. Knowing Israel's official positions – as far as this is possible – would make it easier for researchers to understand the positions of the other players.

Research areas should be broadened so as to include society, demographics, religion, and other fields, in conjunction with institutions of higher education. In addition, intelligence research relations with foreign sources should be strengthened. However, it is best to avoid dealing with estimates on controversial political issues that are liable to be used to cast aspersions on Israel's political echelon. The internal intelligence estimate dealing with domestic threats (in ISA purview) should be strengthened, in part by means of in-depth studies of national, social, and economic topics. This estimate is at least as important as the external intelligence estimate. Finally, an oversight body for the community's intelligence estimates should be established in the framework of the committee for the heads of the service or at the bureau of intelligence affairs or at the National Security Council.

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Nagorno-Karabakh: The Frozen Conflict Awakens

Gallia Lindenstrauss

Introduction

The conflict between Azerbaijan and Armenia over the Nagorno-Karabakh region was one of the bloodiest struggles to emerge from the weakening of the Soviet Union in the late 1980s and the eventual breakup of the Soviet empire. The failure to resolve the conflict to this day is a key element in the instability of the southern Caucasus. At the peak of the conflict – 1988-1994 – some 25,000 people were killed and more than one million people were uprooted from their homes: 350,000 Armenians fled from Azerbaijan to Armenia, 185,000 Azeris fled from Armenia to Azerbaijan, and some half a million Azeris were expelled from their homes in Nagorno-Karabakh and nearby areas, which all fell under Armenian control.[1] Over the past two decades the conflict has generally been considered frozen, although this description obscures the several incidents between the sides since the 1994 ceasefire and ignores the plight of the hundreds of thousands of people displaced as a result of the conflict.

While there were some incidents involving casualties in previous years, 2014 was a year of marked deterioration, with dozens of casualties on both sides.[2] In November 2014, an Armenian helicopter was downed by the Azeris (who claimed the helicopter was on a mission to attack Azeri troops near the border with Nagorno-Karabakh), an incident viewed as one of the most serious since the 1994 ceasefire.[3] The trend continued into January 2015, and there is serious cause for concern that the deterioration will result in renewed war. Furthermore, Russia, which for years benefited from the dormancy in which there was neither war nor peace and strengthened its

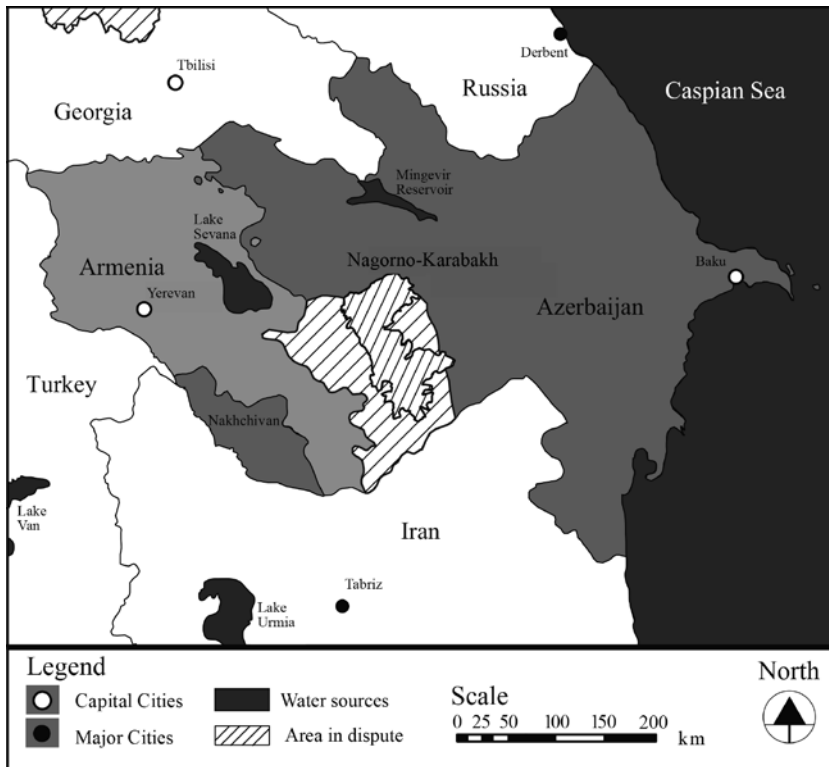Dr. Gallia Lindenstrauss is a research fellow at INSS.

own status there, may now be interested in escalation so that it can deploy its own peacekeeping troops in the region.[4]

Contrary to the common assumption, the conflict is not just over the Nagorno-Karabakh region but also over nearby areas. Armenian forces control seven regions in addition to Nagorno-Karabakh, amounting to some 14 percent of Azerbaijani territory.[5] In fact, over time it has become evident that a resolution over the regions near Nagorno-Karabakh is at least as difficult to attain – if not more so – than one over Nagorno-Karabakh itself. Apparently the Armenians are not willing to concede control of some of these regions because they view having a land bridge to Armenia as critical, and many of the displaced Azeris are from these areas. Furthermore, the regions in the Nagorno-Karabakh area controlled by Armenia are rundown and covered with landmines.[6]

The conflict over Nagorno-Karabakh concerns Azerbaijan, an important Israeli ally in the struggle against Iran,[7] and therefore merits Israel's close monitoring of the issue. One a more specific level, the following article has two goals. First, it discusses the elements that have kept the conflict from being resolved despite the passage of time, elements that might awaken the conflict once again. Second, the article seeks to draw conclusions about the failure of the negotiations, which could have relevance for other conflicts, specifically the Israeli-Palestinian conflict.

Background

In 1921, Joseph Stalin, then the Commissar of Nationalities, decided that Nagorno-Karabakh would be an autonomous region within Azerbaijan rather than part of Armenia.[8] At the time, the population was 94 percent Armenian. Throughout the Soviet rule the Armenians tried to protest the 1921 decision, and in 1988, with Mikhail Gorbachev's policies of *perestroika* and *glasnost*, the Armenian demand for a change in Nagorno-Karabakh's status intensified. The Armenians in Nagorno-Karabakh and Armenia announced their desire for unification. Inter alia, the Armenian residents of Nagorno-Karabakh protested the decreased Armenian majority in the region and their economic situation: in 1988, as the conflict broke out, Armenians accounted for only 75 percent of the population,[9] and the region lagged behind the rest of Armenia during the Soviet era (although it was no more backward than other regions in Azerbaijan). This awakening stirred up Azeri nationalist sentiments and led to violence and ethnic cleansing on both sides.

Legend
- ○ Capital Cities
- ● Major Cities
- ■ Water sources
- ▨ Area in dispute

Scale
0 25 50 100 150 200
km

North

Despite Soviet and other mediation attempts, the crisis worsened from 1988 until the 1994 ceasefire. In 1991, Nagorno-Karabakh declared independence, but to this day not even Armenia has officially recognized its independence. While the Soviets at first supported the Azeri demand to maintain the status quo, after the breakup of the USSR the Russians began supporting Armenia. In 1989, the Azeris besieged the Armenian population in Nagorno-Karabakh and Armenia itself, and in 1991 the Turks joined the siege, causing Nagorno-Karabakh and Armenia heavy losses. Armenia provided ongoing economic support to the Armenians in Nagorno-Karabakh, and although denied by Armenia, its troops participated in the violent struggle with Azerbaijan.[10] Despite local Azeri successes, in 1993 the Armenians in Nagorno-Karabakh began conquering important Azeri strongholds outside the region, and to this day Armenia controls 14 percent of Soviet Azerbaijan.

Negotiations to Resolve the Conflict

Savante Cornell classifies the proposals for resolving the Nagorno-Karabakh conflict into two types. The dominant approach consists of proposals that try to maintain the territorial integrity of Azerbaijan in the 1991 borders, while attempting to provide the Armenians of Nagorno-Karabakh with the greatest possible freedom of self-determination. Within this type of resolution, i.e., the united state option (albeit most likely, a federal or confederal solution), there is the gradual approach (preferred by Azerbaijan and that includes gradual steps, while leaving determination of the legal status of Nagorno-Karabakh to the end) and there is the package deal approach (preferred by Armenia, which involves first resolving the fundamental issues of contention and the status of Nagorno-Karabakh while leaving the resolution of the technical details to a later stage). The second, less prevalent type of solution is more revolutionary and consists of land swaps that would result in Nagorno-Karabakh having a land bridge to Armenia and connecting the Azeri enclave of Nakhchivan to Azerbaijan.[11] While negotiations started out with discussions on realizing the united state option, they hit a dead end, whereupon they turned to the land swap option. However, the latter was considered too far reaching, and talks resumed on the one-state option, with an attempt to present a model of a gradual package deal acceptable to both sides.

At the 1996 Organization for Security and Cooperation in Europe (OSCE) conference in Lisbon, several guiding principles for negotiations between Armenia and Azerbaijan were drafted: maintaining the territorial integrity of Azerbaijan, stipulating a legal status to Nagorno-Karabakh that would allow a high degree of self-rule, and providing security guarantees to the region's residents. Due to Armenian opposition, these principles were formulated only as a declaration by the chairmen. In 1997, the chairmen of the OSCE Minsk Group[12] suggested a proposal based on the gradual resolution of the conflict. The first stage of the proposal involved the withdrawal of Armenian troops from the areas near Nagorno-Karabakh, the return of the displaced persons, the end to the economic siege of Armenia, and the stationing of peacekeeping forces. The second stage involved discussion of the final status of Nagorno-Karabakh. The perceived agreement to the proposal by Armenian President Levon Ter-Petrosian forced his resignation, given the internal opposition in Armenia.[13] In 1998, the Minsk Group proposed a confederation of two equal partners; Azerbaijan's vehement rejection of

the idea led to a dead end in the discussions and to an increase in Russia's independent mediation efforts.

In 1999, following discussions between the leaders of the nations (some conducted through the direct mediation of the United States), a breakthrough appeared imminent. Apparently at the core of the development was the possibility that Armenia would transfer land to create a land bridge between Azerbaijan and the Nakhchivan exclave, and in exchange Azerbaijan would agree to concessions in Nagorno-Karabakh and to a connection of the region to Armenia (including the necessary land bridge).[14] From the Azerbaijani point of view, the advantage of this plan was that it connected the isolated Nakhchivan region to the rest of Azerbaijan and gained a land bridge to the Turkish border. The agreement would have cut Armenia off from Iran, which had consistently supported the Armenian side: this was an advantage to Azerbaijan that Armenia viewed with suspicion. In any event, hopes were dashed when 50 armed men entered the Armenian parliament building on October 27, 1999, and killed the Prime Minister, speaker of the parliament, and five other members of parliament.[15] The incident led to a hardening of the Armenian position. Many point an accusing finger at Russia for the incident in the Armenian parliament, because Russia had little interest in a resolution that involved land swaps, as this would have decreased its own influence in the region. To add insult to the Russians' perceived injury, the negotiations had been shepherded by the United States.

In 2001, in talks held under US auspices in Key West, representing the height of US involvement to date, the sides arrived at an agreement – according to the mediators – on more than 80-90 percent of the issues.[16] Subsequently, in the context of the fifteen Madrid principles formulated by the Minsk Group in 2007, an attempt was made to consolidate an agreement involving the gradual withdrawal of Armenian troops from Azerbaijan; the Armenian population of Nagorno-Karabakh would enjoy a temporary status; and in the distant future there would be a referendum to determine the final status.[17] The last round of talks was held in October 2014 in Paris, the result of a joint US-French effort to strengthen the negotiating mechanism of the Minsk Group after Putin attempted to mediate directly between the sides in Sochi in August 2014.[18]

One of the thorniest problems in resolving the Nagorno-Karabakh conflict is that it seems as if neighboring states and some of the mediators – each motivated by its respective interests – are benefiting from the prolongation of the conflict as long as it is remains at low intensity.[19] Although Russia is

one of the co-chairs of the Minsk Group, it took its own initiative, thereby undermining other initiatives of the group of which it is itself a member.[20] In fact, it seems that Russia seeks to prevent any agreement on Nagorno-Karabakh unless it plays the role of mediator and unless the deal preserves Russia's dominant status in the region.[21]

Almost all rounds of talks have been carried out through the Minsk Group or through Russia and the United States; there is little independent direct contact between the leaders. Thomas de Waal claims that Armenia and Azerbaijan prefer the limited mechanism of the Minsk Group because it leaves both feeling in control of the process as long as it is done through this framework.[22] But the mechanism has several weaknesses, such as the fact that the group meets only periodically rather than intensively; that those conducting the talks are usually mid-level functionaries with much turnover; that among the three chairs – Russia, the United States, and France – there are disagreements on many issues; and that France is represented rather than the European Union, contributing to the limited function assumed by the EU for resolving this conflict.[23] Some are also opposed to what is called "constructive vagueness" in the principles established by the Minsk Group. Thus, for example, Welt claims that this creates the impression of agreement when, in fact, critical differences between Azerbaijan and Armenia remain firmly in place.[24]

Both sides most likely err in thinking that time is on their side. Azerbaijan is exploiting its oil revenues to arm itself in a way that should negotiations fail it can seize control of Nagorno-Karabakh by military means. At the same time, chances are slim it could actually do so out of concern about a response by Russia, which also has bases in Armenia, and because it is doubtful that the international community would accept such an attack on Armenia, partly because of the strength of the Armenian diaspora in the United States and France. Similarly, in case of renewed warfare, the important Baku-Tbilisi-Ceyhan oil pipeline would be within Armenian artillery range.[25] The Armenians think that as time passes, Nagorno-Karabakh's status as an independent entity becomes a fact on the ground, and take heart from Kosovo's 2008 declaration of independence that garnered support from many states. Nonetheless, Armenia suffers greatly from the ramifications of the economic siege imposed on it by Azerbaijan and Turkey, and from the fact that it is not a partner in important regional projects such as the Baku-Tbilisi-Ceyhan oil pipeline and the Baku-Tbilisi-Kars railway project, nearing completion and expected to open in 2015.[26] Moreover, Armenia

suffers from a severe negative migration problem, rooted partly in the repercussions of the Nagorno-Karabakh conflict: about one quarter of the Armenian population has left the country since the collapse of the Soviet Union.[27] Finally, the longer the conflict lasts, the more the displaced persons have trouble returning home and communities have a more difficult time reintegrating, so that the situation is gradually coming to resemble what has happened over the years in Cyprus.[28]

Similar to other conflicts, both sides deny facts that serve as evidence for the longstanding presence of the other side in the region. For example, the Armenians cast the Azeri mosques left in Yerevan and Nagorno-Karabakh as Persian, and while it is more difficult for the Azeris to deny the presence of the Armenian majority in the region, they claim that this population group is in fact Albanian.[29] For the Armenians, the victory over Azerbaijan allowed "a *heroic* reassessment of a national history filled with episodes of defeat, loss of territory and statehood,"[30] partly because the Armenians view the Azeris as Turks.[31] Indeed, the existing linkage between the Nagorno-Karabakh conflict and the historic Turkish-Armenian conflict makes it difficult to reach a resolution.[32] In this context, the rigid stance (even in comparison to that of the Armenians in Armenia) of wide segments of the Armenian diaspora on the resolution of the conflict and the support coming from this diaspora to Nagorno-Karabakh is of particular importance.[33] On the other hand, Behlul Ozkan notes that Azerbaijan is undergoing a process of "Armenianization" and there is use of the rhetoric of genocide regarding the massacre that took place in Khojaly.[34]

One of the problems in preparing public opinion in both nations for a resolution of the conflict is the fact that the leaders of Armenia and Azerbaijan prefer to keep what is said during talks under very close wraps and provide no public indication of their willingness to compromise on certain issues. There are even indications that at least with regard to Azerbaijan, the previous president, Heydar Aliyev, consulted with his close advisors only in the late stages of the talks, and that this too made it difficult to lay the foundation for the acceptance of concessions by Azerbaijan in the negotiations with the other side. Instead of encouraging a complex narrative and preparing the public for compromises, the authorities in both countries are encouraging a simplistic nationalistic narrative that speaks

> The fact that the situation has the elements of an intra-state ethnic conflict as well as elements of an inter-state conflict makes it complex and difficult to resolve.

of high chances of victory should there be a renewal of hostilities.[35] De Waal claims that the mediators barely make public reference to the talks and the difficulties encountered in them, thereby failing to place the blame on the leaders.[36] There are also relatively few indirect negotiations (Track 2), in part because both nations are currently under authoritarian rule and are suspicious of the involvement of civil society organizations financed by the West. Azerbaijan is particularly suspicious about unofficial talks, and government authorities have harassed and arrested activists involved in such contacts.[37]

In recent years, Nagorno-Karabakh residents have themselves not been involved in any talks. Armenia claims that it can represent the local Armenian population, in part because President Serzh Sargsyan and the previous President have close ties to the region,[38] while Azerbaijan is worried that involving representatives from Nagorno-Karabakh will turn the talks into negotiations of two against one. It is obvious, though, that Nagorno-Karabakh residents are increasingly worried that decision makers in Yerevan do not represent them sufficiently. For example, it is clear that Nagorno-Karabakh residents are not willing to accept the presence of peacekeeping forces, saying that only they can defend themselves and warning of a repeat of a Srebrenica massacre scenario if such forces are stationed there.[39]

> While it is clear that at times the sides themselves have had little or no desire to resolve the conflict over Nagorno-Karabakh, the interests of the external players have often made it difficult to reach an agreement.

Conclusion

It seems that while there is already agreement on a general framework for a resolution to the Nagorno-Karabakh conflict, there is – at least on the Azeri side – a sense that there is no partner on the Armenian side.[40] From the Azeri perspective, the solution is to increase their bargaining power through military buildup. The concern, of course, is that significant Azeri force buildup will lead to further deterioration, not necessarily intentional, and to renewed warfare. It may be that the escalation of 2014 is evidence of this trend.

The fact that the situation has the elements of an intra-state ethnic conflict (between the Armenians and Azeris in Azerbaijan) as well as elements of an inter-state conflict (between Armenia and Azerbaijan and as part of the conflict between Armenia and Turkey),[41]

makes it complex and difficult to resolve. In this sense, it is similar to the Israeli-Palestinian conflict, which has aspects of an ethnic conflict over territory that was once Mandatory Palestine and is also an inter-state conflict – between Israel and the future Palestinian state and between Israel and the Arab states. While it is clear that at times the sides themselves have had little or no desire to resolve the conflict over Nagorno-Karabakh, the interests of the external players – especially Russia – have often made it difficult to reach an agreement. This is perhaps a warning to those who seek to involve Russia further in the conflict between Israel and its neighbors.

In terms of general lessons that may be drawn from the negotiations to resolve the conflict, an effort that has yet to bear fruit, it can be argued that while a certain degree of secrecy is a requisite component in conflict resolution, too much secrecy can be harmful as it does not allow the public to prepare for accepting an agreement. This is especially true on the Armenian side, where compromises run into greater opposition than on the Azeri side. Moreover, although it seems that identity-related elements and the Armenian demand for solutions that would strengthen the sense of security of the residents of Nagorno-Karabakh would justify thinking outside the box, it is evident that the idea of land swaps was perhaps a stretch, which required the recourse to previous ideas (albeit with new emphases). It would thus seem that on the one hand there is a trade-off between the attempt to back out of a dead end in negotiations by presenting innovative ideas, and on the other hand, staying within the realm of solutions that have been accepted in principle by the partners to the conflict and the external players so as not to totally undermine the legitimacy of a possible agreement.

The conflict over Nagorno-Karabakh contains many elements present in the Israeli-Palestinian conflict: a nation that experienced genocide, a strong diaspora, refugees, settlements, the need for security arrangements, and unilateral steps of statehood declaration. Therefore, if and when there is a breakthrough in resolving the Nagorno-Karabakh conflict, learning how the sides overcome some of these issues on the road to an agreement will be intriguing.

The Nagorno-Karabakh conflict involves Azerbaijan, an important Israeli ally. From the Azerbaijani perspective, returning the land conquered by Armenian forces is the number one priority in terms of its security and foreign affairs policy.[42] Israel and Azerbaijan maintain a close relationship, formulated first and foremost as a response to both parties' concerns about Iran. However, despite the close relations between the two, Azerbaijan

has yet – since diplomatic relations were established in 1992 – to open an embassy in Israel, in part out of concern that this would keep Muslim nations from supporting its position on the Nagorno-Karabakh conflict in international forums. Moreover, a renewed flare-up of the conflict might make Azerbaijan even warier of a simultaneous confrontation with Iran and cause it to step back from its relationship with Israel. The relationship with Israel was important to the Azeri military buildup, involving in part the supply of Israeli UAVs, as preparation for renewed fighting, but it might become less significant when fighting starts, because it is doubtful Israel would provide Azerbaijan with direct assistance in such a confrontation. Moreover, if the conflict is rekindled and the result is increased Russian influence on Azerbaijan, it will mean a decrease in Azerbaijan's ability to act independently, a fact that could also have a harmful effect on relations with Israel.

Notes

1   Thomas de Waal, *Black Garden: Armenia and Azerbaijan through Peace and War* (New York: New York University Press, 2003), p. 285.
2   David M. Herszenhorn, "Clashes Intensify Between Armenia and Azerbaijan over Disputed Land," *New York Times*, January 31, 2015.
3   Huseyn Aliyev, "The Nagorno-Karabakh Peace Process after the Helicopter Incident," *Central Asia-Caucasus Analyst*, December 10, 2014.
4   Felicity Capon, "Russia 'Arming Armenia and Azerbaijan' as Hostilities Increase," *Newsweek*, February 17, 2015.
5   The Azeris claim that it is closer to 20 percent of Azerbaijan's territory, but de Waal insists that number is exaggerated. For more, see Emily van Buskirk, "Nagorno Karabagh: Is a Solution Imminent?" Event Report, Belfer Center Caspian Studies Program, September 18, 2000.
6   Thomas de Waal, "Remaking the Nagorno-Karabakh Peace Process," *Survival* 52, no. 4 (2010): 173.
7   For more on Israeli-Azeri relations, see Gallia Lindenstrauss, "Israel-Azerbaijan: Despite the Constraints, a Special Relationship," *Strategic Assessment* 17, no. 4 (2015): 69-79, http://www.inss.org.il/uploadImages/systemFiles/adkan17_4ENG_7_Lindenstrauss.pdf.
8   Contrary to the common claim whereby Stalin's objective was to divide and conquer, de Waal suggests that the primary goal was to divide the nation into economically sustainable regions. See de Waal, *Black Garden*, pp. 130-31.
9   Herzig, "The New Caucasus: Armenia, Azerbaijan and Georgia," *Chatham House Papers* (1999): 66.
10 Herzig, "The New Caucasus," p. 67.

11 Savante E. Cornell, *Azerbaijan Since Independence* (London: M. E. Sharpe, 2011), pp. 139-40.

12 The permanent members of the Minsk group are Armenia, Azerbaijan, United States, Russia, France, Belarus, Germany, Italy, Turkey, Sweden, and Finland. On a rotating basis the states who form the OSCE Troika are also members. The group got it name following the 1992 (failed) attempt to convene a peace summit in Minsk.

13 Stephan H. Astourian, "From Ter-Petrosian to Kocharian: Leadership Change in Armenia," *Berkeley Program in Soviet and Post-Soviet Studies Paper* (2000): 1-2.

14 Thomas de Waal, *The Caucasus: An Introduction* (New York: Oxford University Press, 2010), p. 128.

15 Robert Coalson and Harry Tamrazian, "Ten Years Later, Deadly Shooting in Armenian Parliament Still Echoes," *Radio Free Europe*, October 27, 2009.

16 Thomas Ambrosio, "Unfreezing the Nagorno-Karabakh Conflict? Evaluating Peacemaking Efforts under the Obama Administration," *Ethnopolitics 10*, no. 1 (2011): 99.

17 De Waal, *The Caucasus,* p. 129.

18 Liz Fuller and Richard Giragosian, "Azerbaijan Moderates Stance at Paris Karabakh Talks," *Radio Free Europe*, October 30, 2014.

19 Timur Saitov and Gallia Lindenstrauss, "The Ongoing Conflict in Nagorno-Karabakh: Can Iran Succeed Where 'the Minsk Group' Failed?" *Iran Pulse* No. 59, July 17, 2013, http://humanities.tau.ac.il/iranian/en/previous-reviews/10-iran-pulse-en/246-iran-pulse-59-17july2013.

20 Kamer Kasim, "The Nagorno-Karabakh Conflict: Regional Implications and the Peace Process," *Caucasus International* 2, no. 1 (2012): 99.

21 Cornell, *Azerbaijan since Independence,* p. 157.

22 De Waal, "Remaking the Nagorno-Karabakh Peace Process," pp. 163-64.

23 Cornell, *Azerbaijan since Independence,* pp. 157-59.

24 Cory Welt, "To Link or not to Link: Turkey-Armenia Normalization and the Karabakh Conflict," *Caucasus International* 2, no. 1 (2012): 60.

25 Behlul Ozkan, "Who Gains from the "No War No Peace" Situation? A Critical Analysis of the Nagorno-Karabakh Conflict," *Geopolitics,* 13, no. 3 (2008): 591.

26 Cornell, *Azerbaijan since Independence,* pp. 153-55.

27 De Waal, *The Caucasus*, p. 127.

28 Gallia Lindenstrauss, "Pockets of Instability: What Links Kosovo, Cyprus and Nagorno-Karabakh," *INSS Insight* No. 46, February 24, 2008, http://www.inss.org.il/index.aspx?id=4538&articleid=1884.

29 De Waal, *The Caucasus*, p. 107.

30 Emphasis added. The citation is from Licinia Simao, "Engaging Civil Society in Nagorno Karabakh Conflict: What Role for the EU and its Neighbourhood Policy?" MICROCON Policy Working Paper (2010): 4.

31   Umut Uzer, "Nagorno-Karabakh in Regional and World Politics: A Case Study for Nationalism, Realism and Ethnic Conflict," *Journal of Muslim Minority Affairs* 32, no. 2 (2012): 247.

32   Ambrosio, "Unfreezing the Nagorno-Karabakh Conflict," pp. 108-9.

33   Khachig Toloyan, "The Armenian Diaspora and Karabakh Conflict Since 1988," in *Diasporas in Conflict: Peace-Makers of Peace-Wreckers,* eds. Hazel Smith and Paul Stares (Tokyo: United Nations University Press, 2007), pp. 119-25.

34   Ozkan, "A Critical Analysis of the Nagorno-Karabakh Conflict," p. 591. According to Azeri sources, in the Khojaly massacre on February 26, 1992, 613 Azeris were killed by Armenian troops and Russian forces.

35   De Waal, *The Caucasus*, pp. 100, 128-29.

36   De Waal, "Remaking the Nagorno-Karabakh Peace Process," p. 175.

37   Ibid., pp. 168-69.

38   Robert Kocharyan, the previous President of Armenia, was President in Nagorno-Karabakh before becoming the Armenian President, and President Serzh Sargsyan was born in Nagorno-Karabakh and played a central role in the fighting there.

39   De Waal, "Remaking the Nagorno-Karabakh Peace Process," pp. 168, 172.

40   Cornell even draws a direct comparison between the conflict in Nagorno-Karabakh and Azeri frustration on the one hand, and the Israeli feelings after the Camp David summit in 2000, on the other. See Cornell, *Azerbaijan Since Independence,* p. 160.

41   Uzer, "Nagorno-Karabakh in Regional and World Politics," p. 250.

42   Ali Unal, "Azeri Envoy Baghirov: Liberation of Our Lands from Armenian Invasion Top Priority," *Daily Sabah*, February 23, 2015.

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