

Resetting the U.S.-Israel Alliance

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Articles & Testimony

The two countries have worked to insulate their innumerable daily interactions from inevitable bumps in the diplomatic relationship, but the current regional turmoil calls for a more clear-eyed acknowledgement of their shared interests, especially regarding Iran.

There are many who disparage the U.S.-Israel alliance, calling it counter-productive to U.S. interests and stability in the Middle East. Richard Klass is one of those who take this view, as he revealed [in a recent article for *War on the Rocks* \(http://warontherocks.com/2015/01/is-israel-becoming-a-strategic-liability-for-the-united-states\)](http://warontherocks.com/2015/01/is-israel-becoming-a-strategic-liability-for-the-united-states) in which he argued that Israel was becoming a strategic liability for the United States. His argument, however, is based on a series of dubious assumptions and unfounded assertions about the relationship and Middle Eastern political realities. It is therefore no surprise that the policy recommendations that result are flawed.

AMERICA AND ISRAEL

Klass takes a minimalist view of the benefits to the United States of its alliance with Israel. But the reality is that, relative to its small size, few countries contribute in so many diverse and significant ways to America's ability to meet the hard security (military) and soft security (cyber, economic competitiveness, and sustainability) challenges of today and the future. In each of these areas, Israel punches way above its weight.

And while the relationship is in no way symmetrical -- the United States has provided Israel with indispensable diplomatic, economic, and military support totaling more than \$125 billion since 1949 -- it is a two-way partnership whose military, economic, and political benefits to the United States have been substantial ([see "Friends with Benefits: Why the U.S.-Israeli Alliance Is Good for America" \(http://www.washingtoninstitute.org/policy-analysis/view/friends-with-benefits-why-the-u.s.-israeli-alliance-is-good-for-america\)](http://www.washingtoninstitute.org/policy-analysis/view/friends-with-benefits-why-the-u.s.-israeli-alliance-is-good-for-america)).

In geopolitical terms, Israel is a bulwark against the spread of radical Islamism in the Levant and a quiet but effective ally of Egypt and Jordan in their struggles against this common enemy. Israel has thwarted efforts by Iraq and Syria

to acquire nuclear weapons, and it has worked quietly with the United States to use a variety of means (including cyber sabotage) to disrupt Iran's nuclear ambitions. Moreover, Israel is the only country actively working to halt potentially destabilizing Syrian and Iranian arms transfers to Hizballah and to limit Iranian influence in the Levant. In each of these cases, by pursuing its own interests, Israel also advanced those of the United States and its Arab allies.

Israel has made important contributions to American "hard security" in a number of areas. These include: counterterrorism cooperation, the sharing of intelligence and military lessons-learned, military-industrial cooperation (such as the joint development and/or production of unmanned aerial vehicles, defensive systems for armored vehicles, and rocket and missile defenses), and the sharing of lessons-learned and technology to defend the U.S. homeland against terrorist threats since 9/11. Israel also has contributed to America's "soft security": Advances in cyber technology, water security, high-tech agriculture, medical R&D, and cleantech have helped maintain American economic competitiveness and promoted sustainable development in the United States and abroad.

With a high-tech community second only to Silicon Valley, Israel's cooperation with U.S. information technology companies has been crucial to their success. As Bill Gates observed in 2006, the "innovation going on in Israel is critical to the future of the technology business." Thus, more than 150 leading U.S. companies including Intel, IBM and Google have set up research and development centers there in order to benefit from Israel's culture of innovation. (In 2013, the World Economic Forum ranked Israel third in the world in terms of its capacity for innovation.) Intel has a particularly strong presence, and many of the company's most successful microprocessors were designed and produced in Israel.

Israeli high-tech start-ups have particular appeal for U.S. companies looking to expand their competitive advantage, as evidenced by Google's 2013 acquisition of the Israeli traffic navigation start-up Waze for a reported \$1 billion. Israeli innovators also have arrived at novel solutions to water and food security challenges, pioneering widely used techniques of conserving or purifying water now being used or produced in America, including drip irrigation and reverse osmosis desalination. According to the 2014 Global Cleantech Innovation Index, Israel leads the world in cleantech innovation.

While U.S. firms are investing in Israel to preserve or create a competitive advantage and to increase global market share, Israel is the third largest destination of U.S. exports in the Middle East and North Africa. Remarkably, with not even 3% of the region's population, Israel accounted for nearly 24% of U.S. exports to the Middle East in 2014.

Critics claim that the alliance with Israel is a drag on the United States, particularly in terms of relations with the Muslim and Arab world. But in fact, Arab ties with the United States, at both the official and popular levels, have boomed in the past decade. Arabs are coming as students or visitors in record numbers, anti-American street protests are increasingly rare, U.S. exports to the Middle East are at all-time highs, and defense cooperation with a number of Arab states is closer than ever before.

Ironically, it is U.S. policies in the past decade and in recent years -- in Iraq, toward the "Arab Spring," in Syria, and toward Iran, and not U.S. support for Israel -- which are the cause of recent tensions in U.S.-Arab relations. In a remarkable turnabout, many of the region's Sunni Arab countries now see Israel as a more reliable, if tacit partner in their battle against radical Islam and Iran, and believe that U.S. policies are a major source of the instability currently roiling the Middle East.

This is due to the perception that in the wake of its 2003 invasion of Iraq, the U.S. handed the country over to "the Shiites" and to Iran; "abandoned" long-standing allies such as Zine El Abidine Ben Ali and Hosni Mubarak during the early days of the "Arab Spring"; failed to arm the moderate opposition in Syria or to actively seek the overthrow of Bashar al-Assad and his regime; has close ties to the Shiite-led government of Iraq; and is engaged in a tacit alliance

with Iran against the Islamic State in Iraq and the Levant (ISIL) in Syria and Iraq. Meanwhile, Iran has exploited the political cover provided by its ongoing nuclear negotiations with the P5+1 to dramatically expand its regional influence.

This has caused many of America's friends in Israel and the Arab world to question the wisdom of the Obama administration's policy toward the Middle East. It is, however, not only allied governments in the region who feel this way, but even former U.S. cabinet members and members of Congress -- including prominent members of the President's own party such as Senator Robert Menendez (D-NJ) -- many of whom have been active in pushing for additional sanctions on Iran in order to toughen the administration's stance in nuclear negotiations with Iran.

CONGRESS AND IRAN

Klass argues against new sanctions currently under consideration by Congress (the Nuclear Weapon Free Iran Act of 2015), fearing that it could cause the Islamic Republic to walk out of nuclear negotiations, undermine international support for the existing sanctions regime, and ultimately lead to war. Yet it was Congress that initiated the major pieces of sanctions legislation in recent years that have been so critical to bringing Iran to the negotiating table -- often in the face of strong administration opposition.

Given the fact that Iran has adjusted to the prior sanctions (e.g., [see "Iran Adapts to Sanctions in the Absence of New Measures" \(http://www.washingtoninstitute.org/policy-analysis/view/iran-adapts-to-sanctions-in-the-absence-of-new-measures\)](http://www.washingtoninstitute.org/policy-analysis/view/iran-adapts-to-sanctions-in-the-absence-of-new-measures)), and that wide gaps apparently still exist between the P5+1 and Iran, a strong case can be made that additional pressure, in the form of new sanctions, could be just what is required to induce Iran to agree to an acceptable deal. The decision by Congress to put off voting on such sanctions until March 24, the current deadline for a comprehensive nuclear accord with Iran, gives more time for diplomacy while leaving the threat of additional sanctions on the table.

As for the argument that Iran would make good on threats to walk away from negotiations if these sanctions are passed, it is worth noting that it did not follow through on threats in 2011 to close the Strait of Hormuz if U.S. and EU sanctions on its Central Bank were passed. There is a long list of other threats it has made in the past that it has not followed through on. If the Iranians ultimately walk away from negotiations, it will be because they were unwilling to agree to roll back their nuclear program and accept intrusive inspections in return for relief from nuclear sanctions now in effect. Why might they do this? Perhaps a belief that they could "have their cake while eating it too" -- keeping their nuclear program while creating a "resistance economy" that would continue to function under sanctions. Of course, were they to do so, they would use the new sanctions as a pretext for walking away. The new sanctions under consideration are therefore meant, in part, to disabuse them of the notion that a resistance economy is a viable option, and to thereby enhance the prospects of a deal -- though of course there is no way to know whether it will succeed.

Likewise, neither Russia nor China has taken steps to undermine Iran sanctions, even though they too have been sanctioned by the U.S. for a variety of reasons since the Joint Plan of Action with Iran went into effect (Russia over Ukraine and China for WMD-related proliferation). So why would they do so in response to new U.S. sanctions on Iran? More likely, they will limit their response to pushing back against those elements of the new sanctions that they find inconvenient, but little more.

As for the claim that new sanctions will lead to war -- Iran is relying on the United States to do the heavy lifting in the campaign against ISIL, in the hope that just as America defeated its previous arch enemies, Saddam Hussein in Iraq and the Taliban in Afghanistan, it will defeat its newest arch enemy, enabling Iran to reap the benefits after the United States once again departs. As Tehran sees it, the last thing it wants right now (or for that matter, at any time) is a war with the United States, while the latter is effectively serving as its air force against ISIL. So while the Iranians

might respond to new sanctions with nuclear brinksmanship, they will likely do whatever they must to avoid a war with the country that is poised once again to inadvertently pave the way for the expansion of Iranian influence in the region.

THE ISRAEL-PALESTINIAN PEACE PROCESS

The perception that Israel bears disproportionate responsibility for the failure to resolve the conflict with the Palestinians due to settlement construction and the continuation of the occupation has gained a degree of traction in the United States in recent years, and poses a long-term threat to the U.S.-Israel relationship. This is, by and large, a self-inflicted wound. Israeli settlement construction has further complicated an already fraught relationship with the Palestinians and created unnecessary tensions with the United States.

Yet it takes two to end an occupation and to build a better future together. Were it otherwise, Israel's borders with Lebanon and Gaza would have been quiet following its withdrawal from these areas in 2000 and 2005, respectively. Instead, Israeli withdrawals were greeted with rocket fire and more war. And this is where Klass (among others) gets it wrong in his discussion about a one-state solution to the conflict. A significant majority of Israelis would prefer a two-state solution to the conflict with the Palestinians. The latter, however, are divided between one faction (Hamas, based in Gaza) that harbors murderous designs vis-a-vis Israel, and another (the Palestinian Authority, based in the West Bank) that has rejected past Israeli offers of territorial compromise as inadequate (including offers by former Prime Minister Ehud Olmert in 2008 involving land swaps that would amount to 100% of the West Bank). The West Bank-based Palestinian leadership is now intent on gaining through "lawfare" at the International Criminal Court and other unilateral moves what it has failed to gain through negotiations -- and without the need for concessions on its part. The last thing the United States should do is to indulge this destructive impulse -- as Klass advocates -- which will only make a bad situation worse.

The byword for current U.S. policy toward Israel and the Palestinians then should be "do no harm." To this end, the United States should focus on improving economic and security conditions for the Palestinians, supporting continued security cooperation between the two sides, and minimizing friction between the two peoples. At the same time, it should eschew high-profile diplomatic initiatives that are bound to fail now, while doing what it can to create conditions that could breed success in the future.

THE NETANYAHU SPEECH

One can debate the wisdom of Prime Minister Benyamin Netanyahu's forthcoming speech to Congress about Iran, which risks further eroding the historic pattern of bipartisan support for Israel (a process underway for some years now) and transforming support for Israel into a partisan issue. This is a development that would not bode well for the U.S.-Israel relationship. But Netanyahu may have calculated that given his already strained relationship with the White House and the degree to which Israel's future security hinges on the outcome of nuclear negotiations with Iran, the downsides of addressing Congress were of lesser concern. But perhaps the most important point of this episode is the degree to which it again demonstrated the inability of President Barack Obama and Prime Minister Netanyahu to work together to deal with common threats and challenges. Their inability to do so at this critical juncture is a shared leadership failure that harms the interests of both countries, and that both will almost certainly come to regret.

CONCLUSION

While the alliance between the United States and Israel is grounded on shared cultural and political values and popular support, it is also based on tangible interests. Israel is a small country that makes an outsized contribution to the security and well-being of the United States. Its ability to continue to do so, however, will depend in part on more widespread recognition of this fact, as well as policies that further encourage mutually beneficial

interactions between the two countries.

Over the years, the United States and Israel have worked to insulate the innumerable daily interactions between the two governments and societies from the inevitable ups and downs in the political relationship (current tensions between the leaders of the two countries are hardly the first of their kind). The wisdom of this approach has paid off; as a result, security cooperation and all the other types of interactions between the two countries remain at all-time highs.

Still, at a time of unprecedented change and turmoil in the Middle East, both countries need to cleave fast to allies -- one of the few enduring certainties in this part of the world. It would therefore behoove the president to invest as much effort in tending to and cultivating relationships with friends (and this applies not just to Israel) as he spends trying to engage adversaries.

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