

*POLICY PAPERS • NUMBER NINE*

**FORMALIZING THE STRATEGIC  
PARTNERSHIP: THE NEXT STEP IN  
U.S.-ISRAEL RELATIONS**

**STUART E. EIZENSTAT**



*THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY*

50 F STREET, N.W. • SUITE 8800 • WASHINGTON, D.C. 20001



### *THE AUTHOR*

Stuart E. Eizenstat was Assistant to the President for Domestic Affairs and Policy and Executive Director of the White House Domestic Policy Staff, 1977-1981. He has been an adjunct lecturer at the John F. Kennedy School of Government, Harvard University, since 1982, and is a partner with Powell, Goldstein, Frazer & Murphy in Washington, DC. Mr. Eizenstat also is a member of The Washington Institute's Presidential Study Group on U.S. Policy in the Middle East.

### *ACKNOWLEDGEMENTS*

The author would like to express his appreciation for the assistance provided by Lisa Lubick (Harvard '86), a research assistant at Powell, Goldstein, Frazer & Murphy. In addition, the author is also indebted to the following people who thoughtfully offered their perspectives on the issues discussed in this policy paper: Hanon Bar-On; Doug Bloomfield; W. Seth Carus; Pinchas Dror; Oded Eran; Martin Indyk; Howard Kohr; Neville Lamdan; Samuel Lewis; Nimrod Novik; David Naveh; Nathan Pelcovits; Allan Platt; Zvi Rafia; John Ritch; Steve Rosen; Dennis Ross; Joseph Sisco; Philip Wilcox; and Avner Yaniv. However, the views and recommendations in this paper are purely those of the author.

This paper is adapted from an address to the Dayan Center for Middle Eastern and African Studies, Tel Aviv University, December 28, 1987.

Copyright © 1988

The Washington Institute for Near East Policy



## CONTENTS

### PREFACE

*v*

### EXECUTIVE SUMMARY

*vii*

### INTRODUCTION

*1*

### HISTORIC CONFLUENCE OF EVENTS: A UNIQUE WINDOW OF OPPORTUNITY

*3*

### A PRIMER ON U.S.-ISRAEL RELATIONS

*7*

### THE FUTURE: A STRATEGIC PARTNERSHIP

*16*

### ISRAELI OBLIGATIONS

*25*

### APPENDIX

### CHRONOLOGY OF U.S.-ISRAEL RELATIONS

*29*



## PREFACE

One of the most remarkable foreign policy achievements of the Reagan presidency is also one of its most little noticed – the forging of strategic cooperation with Israel. Whereas U.S. relations with Israel have long been warm and strong, they have been founded more on the two nations' shared belief in democracy and moral responsibility than on a common vision of strategic reality and of the regional and global threats that confront them. Ronald Reagan, and his two secretaries of state, were the first American policymakers to appreciate fully the commonality of strategic interests between the U.S. and Israel.

In a quiet but determined manner, the Reagan administration has committed its weight to the idea that Israel and the U.S. are not just friends, but allies as well. Joint projects such as anti-submarine warfare and medical evacuation exercises have translated that idea into reality. As a result, the belief that cooperation between the U.S. and Israel is mutually beneficial to each other's strategic interest has now taken root among the military and defense professionals whose job it is to safeguard American interests in the eastern Mediterranean and the Middle East.

In this Policy Paper, Stuart E. Eizenstat explores the evolution of strategic cooperation and argues for an upgrading of relations to the level of a formal strategic partnership. Mr. Eizenstat, the former chief domestic policy advisor to President Carter, suggests that the closing chapter of the Reagan years offers an opportunity not only to firmly anchor the concept of strategic cooperation into U.S. policy but also to enshrine the U.S.-Israeli partnership in a written agreement between the two nations.

The Washington Institute presents this paper as part of its ongoing effort to provide the Washington-based policymaking community with timely, expert analyses of current Middle East issues and sound recommendations for U.S. policy. It forms part of The Institute's wider purpose: to promote a better understanding of American interests in the Middle East and the means by which those interests can be served.

Barbi Weinberg  
President  
March 1988





## EXECUTIVE SUMMARY

Over the past eight years, relations between the United States and Israel have benefited from the addition of a new and vital strategic dimension. As a result, today a bureaucratic stake has begun to be created in continued strategic cooperation with Israel, as the American defense and foreign policy establishments begin to appreciate the potential for Israel's contribution to U.S. and western interests in the eastern Mediterranean and the Middle East:

- Israel's defense and intelligence capabilities can play an increasingly important role in shoring up U.S. interests in the eastern Mediterranean as Spain and Greece reduce their NATO commitments.

- Israel can help provide a valuable regional counterweight to the major Soviet presence in Syria.

Moreover, U.S.-Israel strategic cooperation has grown and matured despite the periodic differences that arise between even the closest of allies and the unfounded belief that it would cause irreparable harm to American interests in the Arab world.

With the passing of the Reagan years, however, there is a danger that the U.S.-Israeli relationship may revert to the more traditional bureaucratic view of Israel as part of the regional Arab-Israeli conflict system and as exclusively a moral responsibility. While strategic cooperation is not likely to be abandoned, an incoming administration with a less anti-Soviet world view could consign it to the bottom of America's regional priorities, or make it dependent on other regional interests, such as the peace process. Therefore, it is imperative that the closing months of the Reagan administration be utilized with two goals in mind:

- to begin the process of cementing a broader and more formal strategic partnership and;
- to gain bipartisan, presidential election-year support for the advancement of strategic cooperation, so that the progress of the Reagan years survives the Reagan administration.

To those ends, the U.S. and Israel should sign a Memorandum of Understanding before the end of the year to create a United States/Israel Council, chaired by the Secretary of State and Israel's Minister of Foreign Affairs. The council would institutionalize a top-level political dialogue between the two nations and provide an over-arching framework for the various *ad hoc* committees and working groups that now plan and implement strategic cooperation.

Such a Memorandum would solidify the legal foundations of the U.S.-Israel strategic partnership, with the U.S. formally recognizing Israel as an ally and strategic asset and Israel signaling its support for the U.S. in the eastern Mediterranean. This would advance the U.S.-Israeli relationship from one of strategic cooperation to one of strategic partnership.



## INTRODUCTION

With both the United States and Israel in the midst of a year of national elections and as America readies itself for the post-Reagan era, it is time for the two nations to formalize and broaden their evolving strategic relationship from one of *ad hoc* strategic cooperation to one of a regularized strategic partnership. It is important that this be done now, so that the strategic gains to both countries can be locked in before future Presidents shift their focus to other concerns.

The goal should be, in the words of Secretary of State George Shultz, "To build institutional arrangements so that eight years from now, if there is a Secretary of State who is not positive about Israel, he will not be able to overcome the bureaucratic relationship between Israel and the U.S. that we have established."<sup>1</sup> This goal cannot be achieved with business as usual. The time to act is now.

Today there is a unique window of opportunity. But Israel may fail to utilize it because of a sense of satisfaction at the unusually warm, tension-free relationship with the U.S. enjoyed during most of the Reagan era. And because of unfounded fears of a negative Arab reaction, the U.S. may fail to grasp it as well, particularly during this time of turbulence in the West Bank and Gaza.

Given the pivotal role of personalities in American decisionmaking, the future of a budding strategic relationship, such as that between Israel and the United States, will depend to a great extent on the individual at the top in American politics. The personal attitudes and world view of the next President – whether a Democrat or Republican – will be the most important factor in the American government's official policies toward Israel.

Of course, he will be bound by the precedents of his predecessors, the weight of past decisions, the domestic political pressures enacted by the friends of Israel, Jews and non-Jews alike, and the countervailing power of a Congress which over the years has generally been more supportive of Israel than the Executive Branch. None of the presidential candidates, with the possible exception of Jesse Jackson, can be justly considered antithetical to close relations with Israel. This will be nothing like the Pharaoh "who knew not Joseph."

Nevertheless, the personality of the next President – and his Secretary of State – will mean a great deal. Will he share Jimmy Carter's missionary zeal for a comprehensive Middle East settlement, seeing the Palestine problem as

---

<sup>1</sup> See speech by Thomas A. Dine, "The Revolution in U.S.-Israel Relations," April 6, 1986, p. 8.

the essential ingredient? Will he employ the *realpolitik* of the Nixon-Ford-Kissinger era? Will he have the Arab tilt characterized by the Eisenhower-Dulles years?

While no one can be certain until we see the next President in action, it is highly doubtful the next President and Secretary of State will bring the same uniquely positive attitude and worldview as Ronald Reagan and George Shultz. President Reagan's policy toward Israel has been characterized by three facets: a deep emotional commitment to Israel; a strong sense of Israel as an ally which serves the strategic interests of the United States in the Middle East as part of a broader East-West conflict; and a passivity with respect to solving the Arab-Israeli and Palestinian problems, at least until the eruptions in the territories caused the Administration to attempt to revive the dormant peace process.

It is more likely than not that the next President will put greater energy into resolving the Arab-Israeli dispute than into invigorating the budding strategic relationship between the United States and Israel, and that he will see Israel more in the context of its dispute with its Arab neighbors and its Palestinian inhabitants than America's competition with the Soviet Union. Recent events underscore this likelihood. In these circumstances, it would be easy to lose sight of the significant contribution Israel can make to America's strategic interests, especially in the eastern Mediterranean.

There is no immutable law written onto the tablets at Mt. Sinai requiring the next President to view Israel as a strategic asset. The relationship between the U.S. and Israel never remains static. It either expands and deepens or contracts and stagnates. Until the Reagan presidency, the general view of American administrations, unfortunately, was to see Israel more as a moral responsibility and diplomatic burden than as a strategic asset. The next President could revert to this view. Therefore, there should be a sense of urgency to lock in and build upon the historic steps made toward strategic cooperation in the Reagan Administration.

**HISTORIC CONFLUENCE OF EVENTS:  
A UNIQUE WINDOW OF OPPORTUNITY**

The passing of the Reagan era marks an historic set of circumstances. These circumstances permit a significant enhancement of the strategic cooperation between the U.S. and Israel which has served the interests of both countries without threatening America's important strategic interests in the Arab world. Both America and Israel must take advantage of the unique window of opportunity which exists, while it remains open.

- While the United States continues to shoulder the worldwide responsibilities of a superpower and leader of the Free World, it is increasingly strapped for the resources to enable it to fulfill its role. The days of America's post-World War II worldwide economic hegemony are over, yet the U.S. must still play a worldwide role. In 1960 it produced 43 percent of the western world's G.N.P.; today it produces less than one-third. The U.S. devotes about 7 percent of its own G.N.P. to defense – much of it to the defense of countries which devote far smaller percentages of their own substantial economic output to their own defense – 3.5 percent for West Germany and only 1 percent for Japan.<sup>2</sup> This has led to a growing frustration in Washington with those allies unwilling to do more to pay for America's defense umbrella, as exemplified by the shot-across-the-bow by Senator Sam Nunn (D-Ga.) to reduce U.S. troops in NATO.

Nothing better exemplifies America's fiscal plight in trying to support its far-flung commitments than the Gramm-Rudman-Hollings Balanced Budget Act of 1985. This Act was passed in the shadow of unprecedented \$200 billion budget deficits, a national debt that doubled in seven years over what had taken 200 years to accumulate, and huge trade deficits which made the U.S. a debtor nation for the first time since 1914. As amended in 1987, it mandates a balanced budget by FY 1992. This year Congress has slashed \$30 billion off the deficit, with \$45 billion more to come during the 1988 election year. Taxes will be raised by \$23 billion over two years; \$14 billion alone in 1988. After enormous increases in 1981 and 1982 of over 12 percent, under the pressures of Gramm-Rudman, budget authority for national defense has leveled off and actually declined in FY 1986 (\$289.1 billion) and 1987 (\$292.9 billion) compared to 1985 (\$294.6 billion). In FY 1988 it will rise less than inflation.<sup>3</sup> The foreign aid

---

<sup>2</sup> Office of Management and Budget, *Budget of the U.S. Government – Fiscal Year 1988*. January 5, 1987. Reprinted in CRS Report No. 87-16F, p. 14.

<sup>3</sup> *Ibid*, p. 16.

budget function has declined from \$20 billion in 1985 to \$15 billion in 1988. The recent budget summit requires the Pentagon to reduce its projected FY 1989 level by \$33 billion.

In a news conference in December 1987, Deputy Secretary of Defense, William Howard Taft IV stated that military budgets planned for the five years beginning in 1990 would be 11 to 12 percent less than those drafted just one year earlier and that the armed forces would be cut by 100,000 people due to budget pressures. In a stark admission, he said that the U.S. "might not be able to fulfill commitments in some places around the world" and "would not be able to meet certain contingencies or risks."<sup>4</sup>

U.S. resources in the Mediterranean are already stretched by the Persian Gulf crisis. American forces are weakest in the eastern Mediterranean area where Soviet power is greatest. This means inevitably that America will have to rely increasingly on countries like Israel which are prepared to use their strong defense and intelligence capabilities for the benefit of the United States.

- NATO's soft underbelly is its southern flank. This is exacerbated by an unfriendly leftist government in Greece and by difficult base rights negotiations with both Greece and Spain. With the reduction of American F-16s at Torrejon Air Base in Spain, America will be forced to look elsewhere in the Mediterranean for an F-16 base. Israel, as a Mediterranean as well as Middle Eastern nation, can play an increasingly important role in shoring up U.S. interests in the eastern Mediterranean as Spain and Greece reduce their NATO commitments.

- The rise of radical Islamic fundamentalism and the threat of an Iranian victory in the Iran-Iraq war pose a clear and present danger to traditionalist Arab regimes. This has pushed Arab concerns about Israel to the back burner and led several Arab regimes, such as Saudi Arabia and the Gulf states, to develop closer defense relationships with Washington than they previously preferred. The November 1987 Arab League summit in Amman, which ushered in Egypt's reentry into the Arab fold, with its peace with Israel intact, underscored the preoccupation of most of the Arab world with the real threat of Iranian fundamentalism rather than the ephemeral threat of Israeli Zionism or the Palestinian cause. This is transforming the Arab-Israel confrontation into more of an internal communal struggle between the current and former residents of mandatory Palestine. Even though the recent violence in the territories has elevated the Palestinian problem in the Arab world, it has

---

<sup>4</sup> *New York Times*, December 8, 1987, p. A29. The portion quoted is the paper's paraphrase of his comments. Mr. Taft himself was quoted as stating that these reductions "will result in a defense program that will have more risks than we would like to see and a smaller, less capable force than we would like to see."

likewise dramatized the fact that any solution will come not from external Arab pressures but rather from the inhabitants of the area.

The dramatic turn of events in the Arab world – from the Iran-Iraq war, the violence in Mecca by radical Iranians, the declining influence of the PLO, and the threat to Persian Gulf oil exports from Iranian attacks – provides the United States with the latitude to improve its relations with non-radical Arab states which must depend upon U.S. muscle without doing so at the expense of Israel, and offers an opportunity for improved American strategic ties with Israel without jeopardizing American interests in the Arab world.<sup>5</sup>

Moreover, the dramatic decline in oil prices over the past few years, from \$32 per barrel in 1982 to \$16 per barrel today, has not only been a blessing to the U.S. and Israeli economies, it also has mirrored a decline in Arab leverage over U.S. policy in the Middle East. This also provides more freedom of movement for U.S. policy towards Israel.

In point of fact, Israeli and traditionalist Arab regimes have a convergence of strategic interests because of Iran. Khomeini threatens these Arab regimes just as his Hizballah allies in Lebanon threaten Israeli tranquility on her northern borders and as his picture in the West Bank and Gaza houses signals a radicalization of many young Palestinians on Israel's back door.

These common strategic concerns even extend to oil, once an Arab weapon used against the U.S. and Israel. A new pipeline in Saudi Arabia soon will permit the export of up to 4 million barrels of oil per day from the Red Sea upon which Arab nations will depend. Israel and non-radical Arab states have a common interest in Red Sea security against Iranian terrorism.

The regional environment is significantly different than in years past. In its early years, Israel had to reach to the periphery of the Middle East for friends – Iran, Ethiopia, Turkey. Now with the change of regimes in Iran and Ethiopia, the formal peace with Egypt, the *de facto* state of non-belligerence with Jordan, and the points of implicit Israeli-traditionalist Arab strategic convergence, Israel's opportunities exist more readily with her immediate neighbors.

- The rise of Mikhail Gorbachev has led to a more sophisticated and subtle Soviet policy in the Middle East. Over time, as America feels pressure to compete with the Soviets for Arab affections, Soviet policy could place strains on the budding U.S.-Israel alliance, unless steps are taken to solidify it. A prime tenet of U.S. strategic policy in the Middle East is to play the role of the indispensable third party between the Arabs and Israelis, the only genuine

---

<sup>5</sup> See Daniel Pipes, "The Mideast's New No. 1 Problem," *New York Times*, November 29, 1987, p. E7.

broker.<sup>6</sup> The Soviet Union has similar designs, as seen by Gorbachev's lecture to Syrian President Assad in his 1987 Moscow visit about the "abnormal" situation caused by the absence of relations with Israel, the curb in sophisticated arms to Syria, and the wooing of Jordan with promises of arms, Egypt with a write-down of its military debt, and Saudi Arabia with increased trade. At the same time, an emerging detente with Washington, marked by the December 1987 summit meeting, may lead the next Administration to parallel or joint U.S.-Soviet actions, a potentially ominous prospect for Israel.

To pursue a deepening of the strategic relationship it must be recognized that the Soviets still maintain an enormous military presence in Syria. Syria is their principal strategic asset and partner in the Middle East. The Soviets have a major naval base at Tartus in the Mediterranean, forward airbases, a coordinated air defense system with sophisticated Soviet missiles with the range to strike at the heart of Israel and an increased Soviet airlift capability.

- Timing is critical. The next year offers a unique opportunity to lock in the gains registered by strategic cooperation. President Reagan and Secretary Shultz, who have laid the foundations for U.S.-Israel strategic cooperation, may have a special interest in confirming their legacy with Israel in the remaining months of the Administration. Moreover, the 1988 election season will lead presidential candidates of both parties to support such a process. And, it must be recalled that campaign pledges are a crucial factor in what eventually becomes presidential policy. Rather than the sterile repetitions of pledges to move the U.S. Embassy to Jerusalem, the 1988 presidential campaign should see the candidates discuss ways to strengthen America's strategic interests in Israel so that the progress of the Reagan years is not cast aside.

---

<sup>6</sup> Conversation with Joseph Sisco, former Undersecretary of State for Political Affairs, former Assistant Secretary for the Near East, U.S. Department of State, December 16, 1987.



## A PRIMER ON U.S.-ISRAEL RELATIONS

To discuss the future of U.S.-Israel relations, it is necessary to have an understanding of their evolution since the founding of the state.<sup>7</sup> While the topic deserves much more thorough analysis than provided here, it is important to underscore two general points about the history of this relationship.

### *Continuous progression*

First, the bilateral relationship has evolved from one of initial coolness to one of increasing warmth without compromising American interests in the Arab world. What was once a thin and fragile thread connecting the two countries has grown thicker and stronger over the decades. Despite the tensions and disagreements which arise in every Administration, there has been a basic continuum of improved relations. Yet better U.S. relations with Israel did *not* damage legitimate American interests in the Arab world. If anything it has led Arab countries to press the U.S. for comparable benefits more than to insist they be denied to Israel.

The first phase was “the distant years,”<sup>8</sup> from 1948 to 1960, when Israel was kept at arms length. President Truman is revered – and properly so – for recognizing Israel shortly after its declaration of independence in 1947. This was done over the vehement objection of perhaps America’s greatest Secretary of State, George Marshall, who argued that it would threaten U.S. economic and security interests in the Arab world. It is less remembered that Truman imposed an arms embargo on Israel during its time of maximum peril, later embodied in the 1950 Tripartite Declaration.

The guiding force behind U.S. foreign policy at the time was the idea of “containment” – limiting the Soviet sphere of influence. Israel, however, was excluded from this strategic design. The Eisenhower years were chilling ones

---

<sup>7</sup> See for an insightful analysis, Samuel Lewis, “An American Perspective on Strategic Cooperation,” *Strategy and Defense in the Eastern Mediterranean: An American-Israeli Dialogue*, Robert Satloff, ed., Washington: The Washington Institute for Near East Policy, July 1986, p. 89-104. Lewis was U.S. Ambassador to Israel from 1977 to 1985.

<sup>8</sup> Address by Stuart E. Eizenstat, “The United States and Israel’s Economic Crisis,” to the Institute on American Jewish-Israeli Relations of the American Jewish Committee, Jerusalem, January 31, 1985; see also address by Stuart E. Eizenstat, Ben Gurion Memorial Ceremony, Sde Boker, November 13, 1985.

as the Eisenhower-Dulles policy, at the height of the Cold War, was to organize Arab and Muslim countries into the Baghdad Pact to fight Soviet penetration. An Israeli request in 1953 for a \$75 million loan was rejected. The vehemence of President Eisenhower's reaction to the Israeli action at Suez in 1956 showed little sensitivity to Israel's security concerns and he required an Israeli withdrawal without asking for Egyptian peace concessions. Nor did he respond to Soviet threats against Israel, which included a diplomatic note to Israel that questioned its future existence.

The second phase was "the evolving years" from 1961 to 1980 when a deeper, closer relationship between the U.S. and Israel developed.<sup>9</sup> Yet Israel was still perceived as more a moral burden than an asset. President Kennedy symbolized the evolving relationship by breaking the arms embargo with the sale of defensive Hawk anti-aircraft missiles to Israel; yet he would only see Israeli Prime Minister Ben Gurion in a private capacity in New York.

President Johnson moved the relationship forward with Texas-sized strides. He hosted Levi Eshkol in the first public visit by an Israeli prime minister; sold offensive weapons to Israel; and reacted to Israel's occupation of Arab territories after the 1967 Six Day War in ways that contrasted sharply with Eisenhower at Suez a decade earlier. Now Israeli withdrawal would be contingent on Arab recognition and secure and recognized boundaries – a quantum advance. Soviet threats were met by movement of the Sixth Fleet, not by the silence of the Eisenhower Administration.

The Nixon-Ford-Kissinger period, which former Ambassador Samuel Lewis calls the period of "*realpolitik*,"<sup>10</sup> was another chapter in the evolution of warmer and more intimate relations. There was even a brief but important instance in 1970 in which the U.S. used Israel for the first time to directly advance America's strategic interests, asking Israel to help quell the threat of a Syrian invasion of Jordan, thereby protecting a pro-American Arab regime still in an official state of war with Israel. This demonstrated Israel's strategic value for the first time. This period also saw an easing of the sale of arms to Israel, which had been a source of controversy. President Nixon became the first President to make an official visit to Israel.

Moreover, after initial indecision, President Nixon ordered the most massive U.S. airlift since the Berlin blockade – 566 flights from the U.S., carrying 72,000 tons of equipment – at the height of Israel's peril in the 1973 Yom Kippur War.

---

<sup>9</sup> Ambassador Lewis calls the period from 1960 to 1980 one of "friendly evenhandedness."

<sup>10</sup> Lewis, *op. cit.*, p. 95.

Soviet threats at Israel were met by a virtually unprecedented worldwide troop alert. A 1975 Memorandum of Agreement between Secretary of State Henry Kissinger and Foreign Minister Yigal Allon committed the U.S. not to negotiate with the PLO unless it recognized relevant UN resolutions and recognized Israel, and provided assurances against an oil cut-off. Moreover, the U.S. became a tacit guarantor of the first and second Egyptian-Israeli disengagement agreements in January 1974 and September 1975, with U.S. aerial reconnaissance missions and other verification responsibilities. But *realpolitik* still did not include a systematic view of Israel as an on-going strategic asset to the U.S.

The Carter years, despite the occasional tensions between President Carter and Prime Minister Begin, further solidified the U.S.-Israel relationship. Assistance levels rose. The Sixth Fleet paid a post-Camp David visit to Israel in 1978 – a first. The 1979 Memorandum of Agreement between the Defense Secretary Harold Brown and Defense Minister Ezer Weizman initiated the significant amount of Israeli arms sales to the Pentagon. That same year, the United States effectively acted as a guarantor of the Israeli-Egyptian peace treaty, agreeing to provide support to Israel if an Egyptian violation of the treaty occurred. President Carter provided significant financial aid to assist Israeli withdrawal from the Sinai.

A brief look at financial assistance levels underscores the progress in America's relations with Israel. Between 1948 and 1971, total U.S. aid to Israel averaged about \$60 million per year, for a total of \$1.5 billion overall, of which \$1.35 billion was economic and only \$162 million was military in nature – almost all in loans rather than grants. The watershed was the 1973 Yom Kippur War. Immediately before the war, in FY 1973, Israel received \$417 million in assistance. Immediately after the war, Congress voted an emergency appropriation to Israel, including a \$1.5 billion grant in military aid to rebuild the severely damaged Israeli military infrastructure. A new era began.<sup>11</sup>

Between 1974 and 1981, total U.S. aid to Israel amounted to \$18 billion – 12 times more than the country received from 1948 to 1973, a period three-and-one-half times as long. Of this amount, \$12.8 billion was for military assistance and \$5.2 billion for economic aid.<sup>12</sup>

---

<sup>11</sup> Kenneth Jacobson, *U.S. Aid to the Middle East: A Look Back, A Look Ahead*, Anti-Defamation League of B'nai B'rith, January 1983, p. 6. Also, the huge debt burden created for Israel as a result of the military loans which followed became an economic albatross around Israel's neck and were one factor in Israel's economic crisis in the early 1980's. See my article, "Israel's Economic Crisis: What Israel Must Do," *Commentary*, vol. 79, no. 4, April 1985.

<sup>12</sup> *Ibid.*, p. 13.

By 1985 Israel was receiving \$2.6 billion and obtained an unprecedented emergency assistance grant of \$1.5 billion to help it over its financial crisis. Israel today receives \$3 billion annually, \$1.8 billion in military aid, and \$1.2 billion in economic assistance – one in every five dollars the U.S. provides the entire world in foreign aid.

But it is not only the huge increase in dollars which marks the dramatic improvement in the state of bilateral relations. Favorable terms punctuate their uniqueness:<sup>13</sup>

- Israel was the first country to receive highly favorable terms for repaying U.S. loans for military assistance.
- Since 1974, Israel has received “cashflow financing” so Israel can pay for its U.S. weapons purchases in installments, something many countries may not do.
- Israel was authorized to spend all of its U.S. grants before it uses any loan money, rather than having to spend them proportionately.
- Since 1975, all of Israel’s economic aid has been provided by direct cash transfer rather than earmarked for specific purposes as is done with most countries.
- Restrictions have been loosened for Israel on how American security assistance can be spent, permitting Israel to spend some \$300 million in U.S. military aid in Israel to bolster its defense industry.
- Israel is now permitted to reduce the cost of weapons purchased with U.S. military aid by “offset” arrangements under which U.S. defense contractors selling to Israel must buy Israeli goods in return.
- President Reagan recently signed the FY 1988 Continuing Resolution, which contained an amendment sponsored by Senators Daniel Inouye (D-Hawaii) and Robert Kasten (R-Wisc.), allowing Israel and Egypt to restructure their outstanding debt to the U.S., which could save Israel \$150 million per year.

And yet, despite the improved relations, the U.S. did not see Israel in any systematic way as a strategic asset until the Reagan Administration.

---

<sup>13</sup> *Congressional Quarterly*, December 29, 1984, p. 3163; see also, Stuart E. Eizenstat, “Israel’s Economic Crisis: What Israel Must Do,” *op. cit.*, p. 15-21.

The Reagan years, since 1981, have been the “strategic years.” President Reagan was the first President to appreciate the possibilities of Israel making a continuing contribution to America’s strategic interests.<sup>14</sup> His Administration added a strategic dimension to an increasingly close relationship. Indeed, no one should understate the way in which the U.S.-Israel relationship changed under President Reagan and his two Secretaries of State, Haig and Shultz. Although relations between the two countries had warmed considerably, no President before Ronald Reagan called Israel an ally or saw it as a strategic asset.

Some of President Carter’s aides urged repeatedly that he use these terms in describing Israel. But, like his predecessors, he refused, not because he was unfriendly to Israel, but because he did not view Israel in a strategic context. President Carter reportedly mentioned Israel as a strategic asset when he accepted Ambassador Ephraim Evron’s credentials,<sup>15</sup> but the White House press office quickly backpedaled. In point of fact, recent Presidents, including Carter, did recognize and nurture a special relationship with Israel, but it tended to be a sentimental, charitable attitude one would have toward a weak sibling; a relationship which was important and necessary, but one that was nevertheless a moral and diplomatic burden.

Ronald Reagan broke from this traditional American view of Israel, not so much because he had a deeper commitment to Israel but because of his preoccupation with what he saw as a worldwide conflict with the Soviet Union and its allies in every region of the world – Latin America (Nicaragua, El Salvador), Africa (Angola, Mozambique) and Asia (Cambodia, Afghanistan).<sup>16</sup> In this struggle Israel was a reliable anti-Communist ally in the Middle East. President Reagan was animated not by his concerns about Arab threats to Israel but rather by Soviet threats to American interests. He enunciated his distinctive view of Israel and the Middle East in various campaign speeches in 1979 and 1980, well before his election. Without denigrating his personal sympathies for Israel, he was primarily motivated by the notion that “the paramount American interest in the Middle East is to prevent the region from falling under the domination of the Soviet Union” and that “America’s position in staving off Soviet penetration would be weaker without the political and military

---

<sup>14</sup> For an excellent description of the military benefits the U.S. derives from Israel, see Steven L. Spiegel, “U.S. Relations With Israel: The Military Benefit,” *Orbis*, vol. 30, no. 3, Fall 1986, p. 475-497.

<sup>15</sup> Conversation with Ambassador Ephraim Evron, December 7, 1987.

<sup>16</sup> See speech of Vice President George Bush, Yeshiva University, December 15, 1985, New York City, p. 5.

assets Israel provides.” He disputed American policymakers who “downgrade Israel’s geopolitical importance...as a military offset to the Soviet Union.” He said bluntly that “the more critical issues dividing Arab states actually have little to do with Israel.”<sup>17</sup> And he openly called Israel a “major strategic asset to America.”<sup>18</sup>

These were all major departures from prevailing U.S. governmental wisdom and marked a sharp departure from the notion that while the U.S. had an obligation to protect Israel, Israel in turn had little to offer the U.S., and that the obligation, while essential, interfered with U.S. interests in the Arab states. This was reinforced by disappointment over the reluctance of traditionalist Arab regimes, such as Jordan and Saudi Arabia, to support the President’s 1982 peace plan and their unwillingness to assist the U.S. effort in Lebanon.

The U.S.-Israel Memorandum of Understanding of November 30, 1981 pledged the two countries “to act cooperatively” to deal with “the threat to peace and security of the region caused by the Soviet Union or Soviet-controlled forces.” While this MOU was unilaterally suspended just two weeks later, due to the application of Israeli law to the Golan Heights, it signaled a new phase in the bilateral relationship.

Two years later, overruling Secretary of Defense Weinberger and the Chairman of the Joint Chiefs of Staff, who had argued – incorrectly – that it would damage relations with the Arab world, President Reagan signed National Security Decision Directive (NSDD) 111 establishing the guidelines for strategic cooperation. In his departure statement for visiting Prime Minister Shamir, President Reagan announced the establishment of a Joint Political-Military Group (JPMG) to consider “combined planning, joint exercises, and requirements for prepositioning of U.S. equipment in Israel.”

What has been accomplished since is little short of phenomenal and would have been almost unimaginable only a decade ago: *a bureaucratic stake has been created in the U.S. government in continued strategic cooperation with Israel as the Pentagon appreciated for the first time the strategic role Israel can play in shoring up western defenses in the eastern Mediterranean.*

- The JPMG has met twice a year since 1984. A Joint Security Assistance Planning Group, established in 1986, meets annually to discuss aid levels in advance of the President’s budget submission to Congress; a Joint

---

<sup>17</sup> Article by Ronald Reagan in the *Washington Post*, August 5, 1979, collected in *The Reagan Administration and Israel*, Toby Dershowitz, ed., 1987, p. 3-6; speech by Ronald Reagan, March 8, 1980.

<sup>18</sup> *Ibid*, p. 6-9.

Economic Development Group, established in 1985, has provided a valuable forum for the discussion of Israel's economic problems.

- The U.S. Navy now makes regular port calls in Haifa.
- Joint air and sea exercises, including anti-submarine exercises, have been conducted on a regular basis.
- Following the debacle in Lebanon, where Secretary Weinberger refused to permit Israel to provide aid to U.S. servicemen, an agreement was signed to permit Israeli medical assistance, and joint medical evacuation exercises have been held.
- Israel agreed to the location of a major Voice of America (VOA) transmitter to be used to beam information into the Soviet Union.
- Israel became one of the first countries to join in the Administration's Strategic Defense Initiative (SDI).
- A unique Free Trade Agreement was signed in 1984 providing tariff-free access, over time, for the goods of each country in the other – the first such American agreement with any nation. The Israeli agreement has now set the stage for the recently completed U.S.-Canada Free Trade Agreement.
- U.S. Navy fighter pilots from the U.S. Sixth Fleet train at Israeli bombing ranges in the Negev.
- The Defense Department Authorization bill recently passed by Congress authorizes \$75 million for an ATBM system in which Israel will participate.
- Israel was designated a “major non-NATO ally” by the Administration in January 1987, pursuant to the DOD authorization bill for fiscal year 1987.
- In 1986 there were \$200 million in Israeli defense exports to the U.S. and this year the final figures may reach \$300 million.
- Steps are being taken to prepare buildings and facilities for the pre-positioning of U.S. materiel in Israel, and negotiations continue on ways to assure U.S. use of Israeli military installations in a time of crisis, including appropriate contractual arrangements.
- And last, in December 1987 in Washington, Secretary of Defense Carlucci and Defense Minister Rabin signed an important Memorandum of Understanding which substantially improves Israeli industry access to the Pentagon market. It allows Israel to bid on the

same basis as NATO countries on military sales to the Pentagon, waiving "Buy America" requirements from all products from Israel, except those specifically excluded, thereby changing the burden of proof in Israel's favor.

Strategic cooperation is not itself a panacea nor does it always produce sound judgments. The Iran-Contra affair demonstrated that at times strategic cooperation can lead to decisions which are in the strategic interest of neither country. From the U.S. standpoint, the scandal exposed an effort to trade arms for hostages with an untrustworthy regime opposed to American interests in the region, contravening President Reagan's policy of not dealing with terrorists. From Israel's standpoint, it cooperated with a regime whose radical fundamentalism threatens to destabilize the entire Middle East, radicalize the Shiites in Lebanon, and foment trouble on the West Bank and Gaza.

### *Overcoming divergent interests*

It is important to recognize that in addition to continuous progression, there is a second facet to the U.S.-Israel relationship. While U.S. and Israeli strategic interests overlap and are symmetrical at many levels, they are not identical and indeed diverge at times, even today. The U.S. is a superpower with broad strategic interests in protecting its influence around the globe. Israel is a regional power with immediate concerns of security in her own region. There is an inherently Janus-like, contradictory quality to U.S. policy in the Middle East, as the U.S. seeks both a special relationship with Israel, and warm relations with Arab countries in a formal state of war with Israel. It has been American strategic doctrine long before the birth of the State of Israel, and it remains a prime tenet of strategic doctrine today, that the U.S. maintain close relations with Israel's adversaries in the Arab world for reasons of trade and military markets, access to oil resources, geopolitical balance, and competition with the Soviet Union. Arms sales have been the glue to maintain American influence in the Arab world and a prime source of the clash between U.S. and Israeli interests.

U.S.-Israeli interests depart when America takes actions, such as the sale of F-16 and AWACs planes to Saudi Arabia, which Israel considers detrimental to her security or when Israel takes actions for her security against Arab nations which are perceived to weaken American interests in pro-western Arab nations. Divergent interests resulted in sharp differences at Suez in 1956; the Nixon-Kissinger insistence that Israel not destroy the Egyptian 3rd army in 1973; the Ford-Kissinger "reassessment" of U.S. military sales to Israel in 1975; various U.S. votes in the U.N.; the objections over the Israeli strike at the Iraqi nuclear facility; the application of Israeli law to the Golan Heights; Israel's invasion of Lebanon in 1982; and, most recently, Israel's reaction to the violent disturbances in the territories. Only in two instances has a major disagreement



between the countries arisen for reasons unrelated to the direct action of one or the other relating to the Arabs – the inadvertent attack on the U.S.S Liberty and the Pollard affair.

It is the inherent interests and attitudes of the two nations toward the Arab world which will continue to present a cloud, however small, over the U.S.-Israel relationship; which will make it difficult to achieve a full-blown alliance before a comprehensive peace is reached between Israel and her Arab neighbors; and which will lead to disagreements and friction. Yet what is most remarkable about this unique bilateral relationship is that it has continued to flower despite the disparate views on such a central matter to both sides. The ties which bind the U.S. to Israel are rooted so deeply they have not been disturbed in a fundamental way by the different attitudes each has toward the Arabs. It is a partnership of peoples, not just of governments.

But what is equally important is that the increasingly intimate U.S.-Israel relationship has become more a matter of Arab envy than Arab anger. Even joint military exercises have not harmed U.S. interests in the Arab world. The sky will not fall in on U.S.-Arab relations so long as joint U.S.-Israel strategic cooperation is done in ways not designed to be provocative or embarrassing to the Arab states. The Arab world has adapted to the special relationship between the U.S. and Israel and to its new strategic dimension.

For those who measure relationships by cost-benefit analyses, the benefits of the strategic relationship with Israel were significantly underestimated and the costs to U.S. relations in the Arab world substantially overestimated. As is now clearly evident, Iranian fundamentalism has enhanced Arab-U.S. cooperation at the very time Israeli-U.S. relations are at an all-time high.

## THE FUTURE: A STRATEGIC PARTNERSHIP

Despite the progress of the past several years, the U.S. and Israel should now move from their rather narrowly based strategic cooperation to a broader strategic partnership and, ultimately, to a formal strategic alliance when and if a comprehensive peace can be reached with Israel's neighbors.

Closer strategic relations must be achieved with care and prudence; at each stage the bureaucracies of the two nations must see that each step comports with their strategic interests. But this will not happen by itself. It will only come with the type of political leadership and clear signals President Reagan and Secretary Shultz have given to the U.S. bureaucracy.

The collapse of the 1981 MOU resulted not only from Israel's unilateral action on the Golan Heights, which embarrassed the U.S. in the Arab world at a time it had elevated relations with Israel. It also emanated from having taken too great a leap forward before the U.S. bureaucracy was ready and without adequate groundwork having been laid; from political judgments outrunning bureaucratic realities; and nervousness in the State and Defense Departments over Arab reactions. The strategic relationship cannot be artificially force-fed.<sup>19</sup>

But the unique confluence of events outlined above, the steps already taken on strategic cooperation, and the generally benign Arab reaction make it feasible and desirable from America's national security interests – and Israel's as well – to move now to a broader strategic partnership, given the impending change in U.S. Administrations. The next President will more likely revert to the more traditional bureaucratic view of Israel as part of a regional Arab-Israeli conflict with the Palestinian problem at its core. He may feel the need to appoint a Special Negotiator to invigorate the peace process. Indeed, the recent dramatic disturbances in the West Bank and Gaza will help refocus the attention of Washington on the Palestinian problem once again.

Strategic cooperation with Israel is *not* likely to be abandoned, regardless of who the next President may be, because the American bureaucracy and military have found it beneficial to their interests. But it can take the back seat once reserved by this Administration for the peace process. By emphasizing Israel's contribution to western defenses in the eastern Mediterranean and the Soviets' significant presence in Syria, it is to be hoped that the next President

---

<sup>19</sup> See Menachem Meron, "An Israeli Perspective on Strategic Cooperation," *Strategy and Defense in the Eastern Mediterranean*, *op. cit.*, p. 101-102.

will continue to value the budding strategic relationship, even if he does not share President Reagan's harsh view of Soviet intentions.

As a result, the process of cementing a broader and more formal strategic relationship should begin now.

*Strategic cooperation rests on a narrow and fragile underpinning of military and intelligence cooperation, without adequate diplomatic, political and legal grounding, a view held even by some in the Administration who helped conceive it. Although it was crucial to start with military cooperation aimed at hostile threats to both the U.S. and Israel in the Eastern Mediterranean, a stronger diplomatic and political underpinning is essential to develop a desirable strategic partnership and a sense of common purpose – as NATO has built up over time. A political dialogue is essential to develop a common strategic conception about the Middle East, both with respect to external threats to and internal changes in the area. Currently, the only regular political dialogue between the two countries occurs once a year between the Under Secretary of State for Political Affairs and the Director-General of the Foreign Ministry. A more high-level and intensive framework should be established.*

A Memorandum of Understanding should be signed before the end of the Reagan Administration between the President and Israel's Prime Minister – or the Secretary of State and the Foreign Minister – which would create a United States/Israel Council chaired by the Secretary of State and Foreign Minister. The Council should meet at least semi-annually and serve as the focus of high-level regularized Joint Political Talks. The Council would institutionalize a regular, top-level political dialogue to develop common assessments of evolving problems and to assess prospects for peace in the region. It would provide an over-arching political framework to the current *ad hoc* and parallel group of committees which have no formal status. The Council would have subcommittees consisting of the existing Joint Political-Military Committee, Joint Security Assistance Planning Group, and Joint Economic Development Group. Over time, the Council might have a small permanent secretariat, like NATO, drawn from both governments.

High-level, formalized political talks could also serve as a useful forum to encourage the U.S. to take the lead in promoting quiet trilateral strategic coordination involving countries like Turkey and Egypt, which, together with Israel, share common interests in the stability of the region.

The new Memorandum of Understanding would consolidate what now exists in largely rhetorical form:

- The U.S. would recognize Israel formally as an ally and a strategic asset and Israel would signal its support for the U.S. in the Eastern Mediterranean.

- U.S. access to Israeli military facilities would be endorsed as a permanent part of the relationship, as would the current joint military, medical, and intelligence sharing exercises.

- The commitment given verbally by various Administrations to maintain Israel's qualitative advantage in military equipment would be firmly stated.

- The new Joint Political Talks and the current *ad hoc* committees would be institutionalized and formalized.

- Israel would be treated as a NATO country for purposes of purchases to and from the U.S. government and for technology transfer.<sup>20</sup>

This strategic partnership could be formalized further by having Congress incorporate the new Executive Agreement into statutory form, modeled after the Treaty of Friendship and Cooperation signed with Spain in 1982.

Such a formalized partnership would have many advantages:

- It would consolidate strategic cooperation and help assure continuation of the current mechanisms of cooperation.

- It would add a much needed political dimension to the current narrowly-based cooperation. A formal mechanism like the U.S.-Israel Council for diplomatic, political, as well as military discussions could help avoid fiascos like the Iran arms sale. That sad episode in U.S.-Israeli strategic cooperation occurred because important decisions were made by both countries outside formal governmental channels. In the U.S., a lieutenant colonel on the staff of the National Security Council could circumvent the Departments of State and Defense, and individuals in Israel could avoid the Foreign and Defense Ministries and set up a semi-private arms network.

- It would send a non-provocative signal to the Soviet Union and to the Arab world of U.S. support of Israel at a time when the U.S.S.R. is engaged in active efforts to improve its standing in the region.

---

<sup>20</sup> It would likewise be useful to have a parallel diplomatic Memorandum of Understanding to help reassure Israel as both the U.S. and Israel look forward to the predictable effort the next Administration will make at the beginning of its term to reinvigorate the peace process. In advance of a serious effort at peace talks a separate MOU would establish certain parameters and likewise codify what various Presidents have verbally pledged over the years: non-recognition of the PLO; opposition to the creation of an independent Palestinian state; U.S. opposition to an imposed solution in the region; and involvement of only those nations or entities in any Middle East peace process agreed upon by both the U.S. and Israel. If the recent Shultz initiative moves forward and shows the potential for a commencement of negotiations, this parallel Memorandum could be concluded before the next President takes office.

- It would provide a firmer legal underpinning to the current designation of Israel as a “major non-NATO ally,” for Israel is declared an “ally” without any of the formalities required of one. The concept emerged from a May 1986 meeting between Defense Minister Rabin and Senators Nunn (D-Ga.) and Warner (R-Va.) as a way to provide Israel access to existing Defense Department funds and joint R&D efforts without increasing aid levels. This idea was incorporated into the FY 1987 DOD authorization bill, but Israel was not actually mentioned. The Administration must designate the countries under this rubric each year by letters from the Secretary of State and Secretary of Defense. Nothing requires it to include Israel each year. The administration, wanting to appear even-handed, added the term “and friends” so that Egypt could be included, along with Israel, South Korea, Australia, and Japan.<sup>21</sup>

- Moreover, a formalized U.S.-Israeli strategic partnership would help give impetus to progress on a variety of other important areas, some of particular importance to Israel’s battered aircraft industry; co-production of American military products; more flexible restrictions on Israel’s use of American security assistance, so additional funds, up to \$400 million per year, could be spent in Israel; support for Israel’s anti-tactical ballistic missile system (ATBM) as part of the President’s “Star Wars” program; continuation of \$150 million in offsets by U.S. defense contractors in return for the sale of these products to Israel; a realistic opportunity to competitively bid for maintenance and service work on American NATO-based equipment now open only to European companies; additional funds for cooperative R&D with the United States; greater American flexibility on Israel’s export of military products with U.S. components (such as Israel’s interest in exporting the Kfir to Argentina); a separate line item appropriation for the Israeli standoff Popeye missile; and access by Israeli companies to the same classified Requests for Proposal provided for NATO countries.<sup>22</sup>

- No other individual item is of greater potential strategic value to both countries than finalizing the prepositioning of U.S. equipment in Israel, including re-supply and cost-sharing arrangements, and readying Israeli military facilities for U.S. use. This will help the U.S. respond to crises in the Middle East and the Persian Gulf and it can help assure Israel against the near catastrophic delay during the Yom Kippur War in airlifting U.S. equipment to Israel, an airlift difficult to do directly from the U.S. because of landing rights

---

<sup>21</sup> By treating Israel as a NATO ally for procurement purposes, Israel would avoid having to pay the non-recurring costs on major weapons systems like the F-16, which increases the price per plane by over 7 percent, and would have access to high technology transfers on less restrictive terms.

<sup>22</sup> See speech of Thomas A. Dine, “A New Direction in U.S.-Israel Relations,” Chicago, Illinois, November 1, 1987, p. 3-4.

restrictions by American allies.<sup>23</sup> A formalized strategic partnership would make it easier for Israel to obtain the same right South Korea has to use the U.S. equipment itself in times of emergency.

To many Israelis, the history of American written commitments and past efforts to formalize the bilateral relationship does not suggest that another effort is warranted. They point to the suspension of the 1981 MOU and to the empty Eisenhower assurance during the Suez crisis to help keep the Straits of Tiran open – an assurance disregarded when Egyptian President Nasser closed the Straits to Israeli shipping in 1967.

This argument, I believe, does not hold up in the face of the mutually beneficial nature of U.S.-Israel strategic cooperation. Today, the U.S. reaps unprecedented dividends from its partnership with Israel, to the extent that the American national interest in its relationship with Israel does not rest solely on the moral responsibility Americans carried during Israel's formative years.

Moreover, in a society as legalistic as America's, written agreements *do* matter. For sure, an agreement between nations must constantly be reinvigorated and given meaning by actions. But it would be far harder and the costs far greater for a future President of the United States to abandon written promises than mere verbal assurances from a past President. Indeed, one of the problems in 1967 was the absence of a formalized, written understanding between the two countries after the Suez invasion.<sup>24</sup> In addition, international bodies, such as the UN, respect America's standing treaty obligations, such as the Rio Treaty, which Presidents from Kennedy to Reagan have expressly invoked in situations like the Cuban Missile Crisis and the invasion of Grenada.

Top officials of both governments have made it clear that neither sees it in its interests to leap forward to a full-blown NATO-style mutual security agreement obligating each country to defend the other against an attack, or to have a U.S. base in Israel.

American officials object because:

- The U.S. will not provide a guarantee against an Arab attack, which would be a direct provocation to the Arab world;

---

<sup>23</sup> Only the Portuguese airbase in the Azores was made available in 1973 at the height of Israel's worst military threat since 1948.

<sup>24</sup> The defense-related MOUs of 1979, 1984 and 1987 provide evidence of the value of written agreements. The written agreement most frequently cited by Israel has been the 1975 Kissinger-Allon MOA on non-recognition of the PLO.

- It would involve the U.S. in a major new security obligation at a time of shrinking U.S. resources;
- Such an obligation would require extremely difficult judgments by the United States given the uncertainty of Israel's boundaries, the murky area of civil insurrections, and Israel's use of preemptive defensive measures.
- For all of America's support for Israel, the stationing of U.S. troops in a Middle East nation at least before a final peace is achieved, would engender strong domestic opposition in the U.S.

For their part, Israelis respond that Israel:<sup>25</sup>

- does not wish to be obligated to defend U.S. interests around the world in case of a superpower conflict, although there is little question it would assist America.
- fears such an agreement would undercut its own sense of self-confidence and independence and sees a pact as a sign of weakness.
- believes a pact would limit Israel's flexible and expansive concept of self-defense by requiring explicit or tacit prior U.S. approval for preemptive action, like the bombing of the PLO headquarters in Tunis, the Iraqi nuclear strike, or the invasion of Lebanon.
- thinks it would create tensions with the U.S. over a host of issues, including Israeli handling of the civil warfare on the West Bank and the Gaza Strip and the presence of a large scale U.S. contingent of soldiers in a small country.
- recognizes the value of such a pact would arise only if it directly protected Israel against an Arab attack, something the U.S. is unlikely to provide in writing.
- is concerned it could impede a restoration of relations with the Soviet Union.
- sees such a pact as being conditioned on major territorial concessions, thereby substituting vague American "guarantees" for the additional territory necessary for self-defense.

---

<sup>25</sup> See Yitzhak Rabin, "The Principles of the U.S.-Israel Relationship," *Strategy and Defense in the Eastern Mediterranean*, *op. cit.*, p. 81-82.

- recognizes it would require a definition of Israel's final boundaries Israel is unable to provide at this time.<sup>26</sup>

There have been several instances in which American Administrations have offered Israel a security guarantee, but in each case they were tied to Israeli concessions. The first was from Secretary of State Dulles in August 1955, who indicated that after an agreement on boundaries and other problems President Eisenhower "would recommend that the United States join in formal treaty engagements to prevent or thwart any effort by either side to alter by force the boundaries between Israel and its Arab neighbors."<sup>27</sup> Another was made in 1968 in the aftermath of the Six Day War by President Johnson to Ephraim Evron, then the Deputy Chief of Mission at the Israeli Embassy in Washington, via Harold Saunders, a member of the National Security Council staff.<sup>28</sup>

A third was made by President Carter to Prime Minister Begin, in my presence, as an inducement to flexibility on future peace talks. During the 1978-1979 period there was a top-level in-house exercise by the Carter State Department, coordinated by Secretary of State Vance, to draft a mutual security treaty. Various models were studied to see which would be appropriate. Secretary Vance and the late Moshe Dayan, then Israeli Defense Minister, specifically discussed the possibility. Because Congress would never ratify a security treaty which created a totally self-enforcing security guarantee and the most the U.S. could commit to do was consult and obtain congressional approval for an intervention, Dayan lost interest in the proposition.<sup>29</sup>

---

<sup>26</sup> All of this is somewhat ironic from the Israeli perspective because in Israel's early years one of Prime Minister Ben Gurion's chief ambitions was to achieve just such a security guarantee from the U.S., which he considered indispensable to Israel's security. He proposed a formal security alliance to the Eisenhower Administration in 1955. The Israeli Cabinet at the time indicated that "Israel will continue to demand guarantees in a mutual treaty in which each side promises to come to the assistance of the other if attacked." American Jewish leaders and the Israeli Ambassador pressed for a U.S. guarantee of Israel's borders. The change in attitude resulted from the acquisition of additional territories after the 1967 War, which gave Israel more defensible borders and a growing military might. Conversation with Avner Yaniv, December 1, 1987; see Yaniv, *Deterrence without the Bomb*, Lexington Books: 1987, p. 48-54, 152-157, 214-222; see N.A. Pelcovits, "Security Guarantees in a Middle East Settlement," *Sage Policy Papers*, Foreign Policy Research Institute, 1976, p. 3-4.

<sup>27</sup> Cited in Pelcovits, *ibid.*, p. 3-4.

<sup>28</sup> Conversation with Ambassador Ephraim Evron, December 7, 1987.

<sup>29</sup> Conversation with Ambassador Samuel Lewis, November 25, 1987.



In each case, Israel turned the offer down because it appeared to trade generalized American guarantees for defensible borders. Indeed, it is noteworthy to recall that some Americans who were early supporters of security guarantees for Israel were never known as champions of Israel, such as Senator J. William Fulbright. In 1970, Senator Fulbright proposed dual guarantees – a bilateral security pact by the U.S. to defend Israel by military force, if necessary, within her 1967 boundaries, linked to a second UN guarantee.<sup>30</sup>

Nevertheless, *American bases and/or a mutual security treaty may be timely as an added measure of assurance to Israel – if Israel wished to have it as part of a comprehensive peace treaty. This would not be in lieu of but to supplement bilateral peace agreements involving defined and defensible borders for Israel.* This might not be provocative to Arab nations willing to sign a peace treaty with Israel, when internationally accepted borders are established. It would comport with U.S. policy since the 1967 war, which has supported security guarantees as a supplement to, not a substitute for, security arrangements acceptable to Israel written into a peace settlement.<sup>31</sup>

There is a precedent for U.S. guarantees in the first and second Egyptian-Israeli Sinai disengagement agreements and now in the Egypt-Israel Peace Treaty. In each case, America became a *de facto* guarantor of the agreements, with aerial reconnaissance and verification of Israeli and Egyptian early warning stations in the Sinai.

In addition, President Carter provided Israel with specific written pledges to protect against Israeli violations. After the Israeli withdrawal from Sinai in 1982, the U.S. increased its involvement in Sinai peace keeping activities, as part of the Multinational Force and Observers. The MFO operates checkpoints and reconnaissance patrols and observation posts; verifies compliance with the Treaty at least twice a month; and insures free navigation through the Strait of Tiran.

This is a model which might be used in the Golan Heights and in the territories as an adjunct to peace treaties if a territorial settlement were reached. Even an Israeli-Jordanian joint condominium on the West Bank could adopt features of the MFO plan.

---

<sup>30</sup> Pelcovits, *op. cit.*, p. 4.

<sup>31</sup> Pelcovits, *op. cit.*, p. 8-9.

In any event, the inapplicability of a full-blown mutual security treaty in today's environment should not serve as an excuse to fail to promptly formalize a new strategic partnership.

## ISRAELI OBLIGATIONS

As the U.S.-Israeli strategic relationship matures, it inevitably raises the issue of Israeli obligations. In a strategic partnership, both sides must bring something to the table -- as both now do. The U.S. supplies money and equipment as well as political and moral support. Israel supplies firm support for U.S. foreign policies in the United Nations, in the Middle East and Gulf regions; important intelligence information on Soviet activities, radical Arab intentions, and terrorist groups in the area; access to Israeli facilities, like the port of Haifa; and field testing of Soviet weapons.<sup>32</sup>

But as the U.S. is asked to contribute more (in defense purchases from Israel, for example) and as the U.S. and Israel move closer to an actual partnership, *de facto* or formal, Washington must be convinced that the Israeli government fully recognizes and appreciates the following three principles:

- First, a strategic partnership can only flourish in an atmosphere of mutual trust and confidence. The Pollard affair was a serious setback. As Israel and the U.S. begin to see each other as true allies, they must act like it. Allies do collect as much information as they can about other allies through regular channels. But using a paid spy in the employ of the U.S. government is beyond the pale. Mechanisms must be created in Israel to prevent future incidents from occurring, just as the U.S. must not do so in Israel (if, the U.S. ever did so at all, as Senator David Durenberger (R-Minn.), a former member of the Senate Intelligence Committee alleged).

There are many areas in which the Pollard affair cost Israel. For example, it complicated the already grave budget problems with the 1986 efforts of Senators Inouye and Kasten to reduce Israel's blended average interest rates on its U.S. debt to then-prevailing lower rates, with a potential annual savings of over \$250 million. But more generally, it created a sense of mistrust within the very U.S. bureaucracies whose support is so critical to the future of the strategic relationship between Israel and America.

---

<sup>32</sup> For an excellent, in-depth analysis of many of the ways Israel contributes to U.S. strategic interests, see *AIPAC Papers on U.S.-Israel Relations*, particularly AIPAC Paper No. 1, "The Strategic Value of Israel," by Steven J. Rosen; AIPAC Paper No. 4, "Israel and the U.S. Navy," by W. Seth Carus; AIPAC Paper No. 5, "Israeli Medical Support for the U.S. Armed Forces," by Stephen P. Glick; AIPAC Paper No. 8, "U.S. Procurement of Israeli Defense Goods and Services," by W. Seth Carus. These provide powerful intellectual arguments to the concept of an Israeli-U.S. strategic relationship.

- Second, while Israel should not cede its freedom of action to respond swiftly and surely to security threats, and to express its opinions on U.S. policies it considers damaging to its security needs, the strategic interests of the U.S. must be carefully weighed in the balance. While this is certainly done now, the more intimate the relationship becomes the more the need becomes for factoring in the interests of the other partner.

As a strategic partnership develops, Israel must consider a more expansive view of American interests in maintaining close relations with pro-western, if overtly anti-Israel, Arab states. This does not mean acquiescing in U.S. actions which Israel believes are directly detrimental to its interests. But it does mean differentiating between the proposed sale of F-16s to Jordan, on Israel's doorstep, and the sale of Stinger missiles to Bahrain, a non-contiguous state, at a time the U.S. is working hard at achieving Gulf cooperation for its Persian Gulf initiative. To oppose each with equal vigor fails to recognize America's legitimate interests when those of Israel are only marginally involved. Israel should be more discriminating on the issues on which it goes to the mat with the U.S.<sup>33</sup> In this respect, it was heartening to hear Prime Minister Shamir's public endorsement of the Reagan Administration's Gulf policy in his November visit to Washington, even though this entailed close cooperation with Kuwait and other Arab Gulf states.

Neither a partnership nor a full-blown alliance means a forced agreement on every issue. The U.S. has many differences with its NATO allies. But it does mean making a maximum effort to support the interests of the other partner where that does not directly effect one's own vital interests. Currently, no mechanism exists to develop a shared approach to the region and it is that toward which a U.S.-Israel Council should devote its energies.

- Third, it must always be remembered that the relationship between the two nations rests on something less tangible, yet more fundamental, than guns and bullets, strategy and tactics, intelligence and military cooperation, or even common enemies – that is, shared Judeo-Christian values and principles.<sup>34</sup> These are the democratic values for which the United States for 200 years and Israel for 40 have stood – majority rule, free speech and open expression, respect for human dignity, due process of law, protection of the rights of minorities.

The U.S. shares strategic interests outside its NATO alliance with countries from Saudi Arabia to Pakistan, from South Korea to Egypt. Israel's strategic

---

<sup>33</sup> See Shai Feldman, "The United States as a Challenge for Israeli Policy," speech in Tel Aviv, June 28-July 1, 1987, for an excellent discussion of the importance of Israel's democratic values.

<sup>34</sup> See Yitzhak Rabin, *op. cit.*, p. 84, 87.

importance to the U.S., while real and important, is not unique. But its relationship with Israel has a special, even mystical quality. It was a special relationship well before President Reagan introduced a strategic dimension to it, a strategic dimension policy elites understand better than the public at large. It is special because the American people recognize Israel's biblical ties to a Holy Land which play on the heartstrings of Jew and non-Jew alike in America; because of Israel's rebirth from the ashes of a World War America helped win and whose death camps American soldiers liberated; and because Israel represents the values America holds so dear in a region where the disregard for these values is so evident by Israel's neighbors. In a cruel and compromising world, Israel is seen as trying to fulfill Isaiah's admonition to be a "light unto the nations."

When Israel has taken actions it felt necessary which were at cross-purposes with America's own strategic interests, it has been the foundation stone of shared beliefs which has maintained positive relations. This was demonstrated, as one Israeli scholar noted, when a close relationship endured during the time the Reagan Administration was attempting to build a strategic consensus and Israel took steps detrimental to that effort – from bombing the Iraqi nuclear reactor to the application of Israeli law to the Golan Heights and to the invasion of Lebanon.<sup>35</sup>

As Israel struggles to deal with its boundaries, its security concerns, its Palestinian dilemma, its Arab citizens, indeed as it defines its own identity, it is crucially important that Israel not permit its democratic values to be compromised; for this in turn would compromise Israel's strategic relationship. It is for this reason that the methods Israel employs to respond to violence in the territories is so important and why American friends of Israel are so concerned by proposals to solve the Palestinian problem by mass expulsions or payments to Palestinians to leave.

Policies that Americans perceive as anti-democratic will make it difficult for a strategic partnership to fully flower. Americans recognize the fact that Israel faces a unique problem of simultaneously maintaining security and democracy, making perfection impossible. But as the broader Arab-Israeli conflict abates and turns into more of a communal dispute between Israelis and Palestinians, Israel's friends in the United States will wait with great anticipation to see Israel solve its problems while remaining both a Jewish state and a democratic bastion.

The support for Israel in America does not derive, as some of Israel's enemies believe, from the power of American Jews. It rests on the broad shoulders of American public opinion. It is upon these shoulders that the

---

<sup>35</sup> Feldman, *op. cit.*, p. 5.

Reagan Administration and Israeli leaders have begun to erect a strategic relationship. And it is upon these shoulders that we must broaden, deepen and formalize that budding relationship into a full-scale partnership in the concluding months of the Reagan Administration, so that it will be strong enough to transcend changes in Presidents and inevitable differences between administrations. This would be a fitting legacy for the Reagan-Peres-Shamir years.

## CHRONOLOGY OF U.S.-ISRAEL RELATIONS

1946-1987

**1946:** President Truman includes Israel in a regional arms embargo. The Soviet Union allows Czechoslovakia to sell Israel weapons; **October 4:** In "Yom Kippur speech," Truman calls for a compromise between the British partition plan and the Zionist plan.

**November 1947:** U.S. votes in UN General Assembly for partition of Palestine.

**May 14, 1948:** President Truman recognizes the State of Israel.

**May 25, 1950:** Tripartite Declaration: U.S.-British-French effort to coordinate arm sales to the Middle East. It proclaimed their determination to act within and outside the UN to oppose attempts to modify the armistice boundaries by force; to prevent any imbalance in armaments; and a promise to supply Israel and the Arab countries with enough weapons to meet their self-defense needs and the defense of the area as a whole.

**1952:** U.S. and Israel enter into a formal military assistance relationship.

**1953:** Israel's request for a \$75 million loan is turned down; U.S. withholds the disbursement of economic aid because of Israel's noncompliance with a UN Truce Supervision Commission injunction to halt work on a Jordan River hydroelectric project.

**1954:** NATO turns down an Israeli request for membership; the U.S. declines a formal proposal for a mutual defense treaty.

**1955:** U.S.-supported Baghdad Pact (Britain-Turkey-Pakistan-Iran) enters into effect.

**1956:** Nasser nationalizes the Suez Canal in **April**; concludes an arms deal with the Soviets; U.S. attempts to appease Nasser by financing the Aswan dam; U.S. defers arms to Israel; **October 29**, Israel invades the Sinai; **October 30**, the French and British intervene against Egypt. The U.S. leads in UN opposition to the French-British-Israeli actions. Israel withdraws from occupied territory and U.S. grants a commitment to stand by Israel's right of passage through the Gulf of Aqaba. Eisenhower administration is silent on Soviet threat to Israel.

**1959:** A U.S.-Israel military loan program begins.

**1963:** President Kennedy tells Golda Meir that the U.S. views Israel as an ally, although there is no treaty to this effect; Kennedy publicly approves the sale of Hawk anti-aircraft missiles.

**1964:** President Johnson sells the first “offensive” weapons – tanks and A-4 Skyhawk jetfighters – to Israel.

**May 31, 1964:** Prime Minister Eshkol visits President Johnson: first official visit of an Israeli Prime Minister.

**July 20, 1965:** U.S.-Israeli defense procurement agreement concerning Israeli bids to U.S. Department of Defense.

**1966:** The U.S. agrees to ensure the sale of arms to Israel, if not from Western sources, then from the U.S.

**March 23, 1967:** Memorandum of Agreement establishing U.S.-Israeli Educational Foundation for financing exchange programs.

**June 6, 1967:** The Six Day War begins. Johnson orders the Sixth Fleet to the Syrian coast in response to Soviet threats against Israel; U.S. votes against an unconditional Israeli withdrawal (in the UN General Assembly); **June 8:** Israel attacks the U.S.S. Liberty; **November 23:** UN Security Council resolution 242 is adopted.

**1968:** Johnson approves the sale of 50 Phantom fighter-bombers to Israel.

**December 9, 1969:** Secretary of State Rogers announces the U.S. position (the Rogers Plan) on Arab-Israeli peace: a binding peace agreement and Israeli withdrawal to the 1967 boundaries, except for the Gaza Strip; repatriation or resettlement of Palestinian refugees; free navigation and security provisions; and international assurances.

**1970:** The U.S. and Israel sign the Master Defense Development Data Exchange Agreement, permitting the exchange of information important to the development of military systems; **September 20:** U.S. asks Israel to formulate plans for a joint American-Israeli intervention to thwart the September 19 Syrian invasion of Jordan. Israel prepares to open a massive air strike against the Syrian troops and to move Israeli columns from the Golan to the Jordan Valley. **September 22:** the Syrian tanks pull back.

**October 1973:** During the Yom Kippur War, the U.S. responds with a massive airlift and alerts the Strategic Air Command and American forces around the globe to possible Soviet moves; **December 21:** Geneva Conference is convened to preserve the cease-fire and to symbolize the pursuit of peace; both Egypt and Jordan send high-level representatives.



**January 18, 1974:** First Israeli-Egyptian Sinai Agreement: both countries agree to a cease-fire and to a UN buffer zone along the Suez; the U.S. is *de facto* guarantor of the agreement and participates directly for the first time by having its aircraft and satellite monitor compliance with the provisions.

**1974:** Israel becomes the first beneficiary of the cash flow method of financing, which gives more flexibility in the procurement of U.S. military goods; Israel becomes the recipient of more FMS assistance than any other country; the 1974 emergency aid for Israel includes the first military grant aid.

**1975:** All of Israel's economic aid is provided by direct loans and cash transfer, rather than earmarked for specific projects or purposes.

**September 1, 1975:** The U.S. and Israel sign a Memorandum of Agreement (MOA) under which the U.S. agrees not to recognize or negotiate with the PLO so long as it does not recognize Israel's right to exist and does not accept UN Security Council resolutions 242 and 338.

**September 1, 1975:** The U.S. commits itself in a MOA to meet Israel's needs for oil for 5 years; to vote against any Security Council resolution that affects or alters the 1975 Egypt-Israel Agreement; and to support Israel's right to free passage through the Straits of Bab-el-Mandeb and Gibraltar.

**September 4, 1975:** Second Israeli-Egyptian Sinai Agreement signed at Geneva: U.S. stations American personnel in the buffer zone; agrees to a package of assurances, undertakings and commitments to Israel; undertakes publicly to make the aerial reconnaissance missions' results available expeditiously to Israel and to verify use of Israeli-operated and Egyptian-operated early warning surveillance systems.

**February 27, 1976:** MOA on the Geneva Peace Conference. The U.S. and Israel agree to reconvene the Peace Conference and the U.S. will not recognize or negotiate with the PLO as long as it does not recognize Israel's right to exist and accept Security Council resolutions 242 and 338.

**March 3, 1976 (and May 18, 1977):** MOA establishes the U.S.-Israeli Binational Industrial Research and Development Foundation (BIRD-F) for non-defense activities.

**October 25, 1977:** MOA establishes U.S.-Israeli Agricultural Research and Development Fund (BARD-F) to promote agricultural activities.

**September 17, 1978:** President Carter and Prime Ministers Begin and Sadat sign the Camp David Agreement.

**March 19, 1979:** MOA establishes a Defense Trade Initiative to develop Israel's defense production and technological base.

**March 26, 1979:** Agreement between U.S. and Egypt implementing the Egyptian-Israeli Peace Treaty: the U.S. agrees to take appropriate action in the event of an actual or threatened violation of the Treaty; MOA between Israel and the U.S. regarding the oil supply arrangement of 1975 (now providing for a 15 year guarantee); MOA between U.S. and Israel recognizing that withdrawal from the Sinai imposes heavy security, economic and military burdens; the U.S. will act against violations threatening the security of Israel or its rights to navigation and overflight. The U.S. agrees to provide support and supplies if a violation of the Treaty occurs.

**October 17, 1980:** MOA regarding contingency implementing arrangements for the supply of oil (also in the **March 26, 1979** MOA); delineates when the U.S. will make oil available to Israel.

**1981:** Economic Support Fund (ESF) aid to Israel becomes all grant transfer.

**June 7, 1981:** Israeli planes bomb the Iraqi nuclear plant at Osirak; U.S. calls the raid "shocking;" **November 11:** the UN General Assembly calls the attack a serious threat to peaceful nuclear energy development. Only Israel and the U.S. vote against it.

**August 3, 1981:** Multinational Force and Observers (MFO) established; begins moving into place. **March 20, 1982:** Contingents from nine nations join 1,200 American troops for the Sinai MFO.

**November 30, 1981:** The U.S. and Israel sign a Memorandum of Understanding (MOU) regarding continued consultation and cooperation and outlining issues for joint working groups.

**December 14, 1981:** Israel extends its law to the occupied Golan Heights.

**December 17:** The U.S. joins in a unanimous UN Security Council resolution condemning the Israeli move, declaring the annexation "null and void."

**December 18:** The U.S. State Department suspends the November 30 MOU.

**April 25, 1982:** MFO assumes peacekeeping responsibilities for implementation of the Israeli-Egyptian peace treaty.

**September 1, 1982:** President Reagan states the U.S. will not support the establishment of an independent Palestinian state in the West Bank and Gaza nor Israeli sovereignty or permanent control over those territories. Calls for a resumption of autonomy talks; election of the Palestinian self-governing authority in the occupied territories; an Israeli freeze on new settlements and on

dismantling existing settlements; and for Palestinian and Arab recognition of Israel's right to exist.

**December 10, 1982:** The U.S. and Israel enter into a Defense and Security of Information agreement concerning protection of classified information between the two governments.

**April 17, 1983:** Pentagon announces approval of Israeli use of American components and technology to build the Lavi fighter aircraft.

**October 29, 1983:** President Reagan signs National Security Decision Directive (NSDD) 111 setting up guidelines for strategic cooperation, including joint military exercises, provisions for use of Israeli military bases and other cooperation.

**November 29, 1983:** Prime Minister Shamir and President Reagan establish a Joint Political-Military Group (JPMG) to enhance U.S.-Israel cooperation, and implement most of the provisions of the 1981 MOU. Also established are the Joint Economic Development Group (JEDG) and the Joint Security Assistance Planning Group (JSAG).

**November 1983:** Shamir and Reagan agree to the establishment of a Free Trade Area (FTA); formally approved in **May 1985**.

**1984:** The U.S. and Israel engage in joint air and sea military exercises; joint emergency medical evacuation exercises begin; the U.S. Navy announces 12 Israeli Kfir C-1 jets will be used to simulate Soviet MiGs in flight training.

**January 16, 1984:** MOA between the Department of Health and Human Services (HHS) and the Ministry of Labor and Social Affairs establishes cooperation in the field of social services and human development.

**March 19, 1984:** MOU expands Israel's access to conventional defense equipment, R&D, and procurement. A special joint Department of Defense-Ministry of Defense committee is established.

**June 1984:** First joint emergency medical evacuation exercise conducted by the U.S. Sixth Fleet and the IDF.

**June 3, 1984:** U.S. Department of Energy and Israeli Ministry of Energy enter into an agreement regarding cooperative R&D and joint energy activities.

**December 16, 1984:** U.S.-Israeli joint anti-submarine warfare (ASW) maneuvers in the Eastern Mediterranean.

**Spring 1985:** U.S.-Israeli discussions begin regarding Israeli sales of American equipment and weapons (HAWKs and TOWs) to Iran; **July:** McFarlane, Shultz and Weinberger become involved in further negotiations; **August 30:** 100 TOWs are sent from Israel to Iran; **September 14:** 408 more TOWs are delivered.

**May 6, 1985:** MOA between Department of HHS and the Ministry of Health expands cooperation in the field of health.

**May 1985:** Free Trade Agreement formally approved.

**May 6, 1986:** Defense Minister Rabin and Secretary of Defense Weinberger sign an agreement under which Israel enters the R&D programs of SDI (along with West Germany, Great Britain, and Italy).

**September 1986:** Joint Political Military Group (JPMG) and Joint Security Assistance Planning Group (JSAP) meet to discuss strategic cooperation.

**October 1986:** Initial press reports detail U.S. arms sales (via Israel) to Iran.

**November 5, 1986:** The U.S. and Israel sign a \$5.1 million agreement concerning Israeli research on the Anti-Tactical Ballistic Missile (ATBM) project.

**November 6, 1986:** MOA between U.S. Department of Labor and Israeli Ministry of Labor and Social Affairs expands cooperation in the field of labor.

**January 23, 1987:** Israel is designated a major non-NATO ally, allowing it to participate in U.S. military and R&D projects and upgrading defense ties (becomes law in the FY 1987 Defense Authorization Bill).

**March 27, 1987:** President Reagan and Israel's Minister of Communications sign a Voice of America (VOA) agreement permitting construction of a relay transmitter in Israel.

**November 10, 1987:** Israeli President Chaim Herzog visits President Reagan; first state visit of an Israeli head of state.

**December 14, 1987:** Secretary of Defense Carlucci and Defense Minister Rabin sign an arms agreement expanding Israel's arms procurement privileges, allowing Israeli defense companies to compete equally with U.S. and NATO firms for defense contracts.

THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY  
POLICY PAPERS SERIES

*Editors:*  
Martin Indyk  
Robert Satloff

1. Dennis Ross *Acting with Caution: Middle East Policy Planning for the Second Reagan Administration*
2. Ze'ev Schiff *Israel's Eroding Edge in the Middle East Military Balance*
3. Barry Rubin *The PLO's Intractable Foreign Policy*
4. Hirsh Goodman *Israel's Strategic Reality: The Impact of the Arms Race*
5. Robert Satloff *'They Cannot Stop Our Tongues': Islamic Activism in Jordan*
6. Eliyahu Kanovsky *Another Oil Shock in the 1990s? A Dissenting View*
7. Ehud Yaari *Peace by Piece: A Decade of Egyptian Policy toward Israel*
8. Asher Susser *Double Jeopardy: PLO Strategy toward Israel and Jordan*
9. Stuart E. Eizenstat *Formalizing the Strategic Partnership: The Next Step in U.S.-Israel Relations*

*Publications are available from:*  
*The Washington Institute for Near East Policy*  
*50 F Street, N.W. Suite 8800*  
*Washington, D.C. 20001*  
*(202) 783-0226*



