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THE INSTITUTE FOR NATIONAL SECURITY STUDIES
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Strategic ASSESSMENT

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

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The Institute for National Security Studies (INSS)
40 Haim Levanon • POB 39950 • Tel Aviv 61398 • Israel
Tel: +972-3-640-0400 • Fax: +972-3-744-7590 • E-mail: info@inss.org.il

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Abstracts

Israel's National Security Concept: New Basic Terms in the Military-Security Sphere / Shay Shabtai

This essay defines a framework for the discussion of national security by differentiating the political-strategic circle ("the security strategy") from the military-security circle ("the security doctrine"). Over the course of Israel's first sixty years, new enemies posed new types of threats, and new security challenges arose without a complementary new response in Israel's security doctrine The essay urges the need for the security doctrine to address these changes, in part by basing the military-security discourse on a change in the fundamental terms in use. Outmoded terms should be dropped and new terms added as a basis for altering modes of functioning, in order to help meet the expanded challenges Israel faces.

Unusually Quiet: Is Israel Deterring Terrorism? / Jonathan Schachter

Recent years, and 2009 in particular, were relatively quiet in terms of Palestinian terrorist activity within Israel. Some officials have attributed this comparative calm to Israeli deterrent power, especially in the wake of Israel's use of force during the Second Lebanon War (2006) and Operation Cast Lead (December 2008-January 2009). This essay will briefly examine the role and limitations of deterrence in Israeli counterterrorism efforts. The available evidence does not allow for definitive conclusions, but suggests that Israeli deterrent success is more modest than is often presumed, and that Israel is not making optimal use of the deterrence-enhancing tools at its disposal.

Israel and the CTBT / Alon Bar

Statements by the Obama administration that it hopes to ratify the Comprehensive Nuclear Test Ban Treaty (CTBT), together with discussion of the CTBT at the NPT Review Conference this past May, invite a reexamination of Israel's stance on the treaty, its considerations regarding ratification, and its interests vis-à-vis the treaty. The obstacles to Israel's ratification of the CTBT are significant, and the developments of the

past year are not sufficient reason to detract from their importance. This article analyzes Israel's main considerations on ratification of the treaty; the validity of those concerns; whether these concerns have materialized; and if there are other important political or strategic considerations that justify further examination.

The Failed State: Ramifications for Israel's Strategic Environment / Yoel Guzansky and Amir Kulick

Joining the wide range of security threats and challenges that Israel faces are new social challenges, primarily the arrival of thousands of African refugees seeking refuge and work in Israel. While these may appear to be disparate phenomena, a broader approach links many of the threats and challenges that Israel faces in a single analytical framework centered on the notion of the failed state. This essay seeks to explain how a failing or failed state in both the near and the far circles affects Israel's strategic environment and to demonstrate how the critical use of this analytical framework offers some important new responses to the challenges Israel faces.

The Iranian Nuclear Issue: The US Options / Ephraim Kam

Following a failed attempt to engage Iran in meaningful negotiations, the Obama administration is currently pursuing a second approach comprising stronger sanctions and additional economic and diplomatic pressures. However, this policy may be limited to the short term, and in 2011, if it deems that the policy was not successful, the administration will have to choose between two undesirable and highly problematic options: to reconsider the military option or to accept ongoing uranium enrichment in Iran, and later to accept Iran as a threshold state or even as a state possessing nuclear weapons. This essay reviews the sanctions route the administration is currently pursuing and explores the options it may pursue in the coming years.

The EU's Nonproliferation Strategy: Iran as a Test Case / Elisa Oezbek

The European Union is regarded as a promoter of peace and stability in its own and neighboring spheres, employing economic and political means. However, whether it is willing and able to take on this role in the realm

of nuclear policy remains an open question. The challenge for the EU lies with implementing the principles of effective multilateralism; promotion of a stable international and regional environment; and cooperation with partners. This entails making tougher and more credible threats, so as to isolate politically and economically countries of concern – currently led by Iran – if they do not cooperate in clarifying suspicious behavior with respect to their handling of the WMD question.

Russian Arms Exports to the Middle East: A Means or an End?
/ Zvi Magen,Yiftah Shapir, and Olena Bagno-Moldavsky

Russia is gradually regaining its status as a superpower in the production and export of security equipment and now offers advanced weapons that are competitive with Western products. Aside from revenue, this status provides Russia with an important tool for gaining regional influence. Security and technological exports serve as leverage towards attaining political-strategic goals and are used as a branch of foreign policy. At the same time, this trend reflects Russia's limitation in promoting its goals using the economic tools that are generally accepted between influential international players. The article reviews Russia's arms exports to the Middle East in recent years, along with its use of these exports to promote Russia's political and strategic goals.

Israel's National Security Concept: New Basic Terms in the Military-Security Sphere

Shay Shabtai

Introduction

In Israel, the term "national security concept" has gained a foothold in the context of a (partial) discussion of national security strategy that lacks any deep engagement with the definition of national objectives on the one hand, and the formulation of general principles of doctrine and policy in the field of national security on the other. This situation is a product of Israel's problematic reality: Israel has never defined agreed-upon national objectives in writing since the time of David Ben-Gurion, and there is no coherent, systematic, and significant discussion of security doctrine and policy.

This essay defines a framework for the discussion of national security by differentiating the political-strategic circle (in many ways "the security strategy") from the military-security circle (in many ways "the security doctrine"), which is the focus of this essay. In the first part, the essay briefly surveys developments in security doctrine in the state's first sixty years. In the second part, the essay proposes to base the military-security discourse on a change in the fundamental terms in use today, largely by adding new terms as a basis for altering modes of functioning given the expanded challenges Israel faces.

The proposal calls for applying the existing terms "decision" and "deterrence" to the struggle with states and semi-sovereign terrorist organizations in the first tier, to drop the term "early warning," and to recast what is known as "defense" or "civil defense" as "resilience."

Shay Shabtai researches strategic issues related to the Middle East and to Israel's national security.

Furthermore, five additional basic terms should be appended to the security doctrine discourse, with the appropriate conclusions drawn from them: "disruption" (or "prevention"); "elimination"; "paralysis"; "approval"; and "security cooperation." These eight basic terms, separately and in their interface, will serve as a more timely, relevant basis for discussing and revising the components of security policy: force buildup, use of force, and regulation of inter-organizational cooperation.

The First Thirty Years, the Second Thirty Years

During the first three decades of Israel's existence, the country's primary strategic-security challenges focused on the threat of an all-out war against a coalition of armed forces from first tier states assisted by forces of second tier states. This threat, at least in part, was actualized about once every ten years. At the same time, Israel fought Palestinian nationalist-secular terrorism, undertaken mainly by the PLO, which operated with the support of Arab states (Egypt, Syria and others). This type of combat ("routine security") was virtually unceasing but did not develop into broad military campaigns against terrorist elements.

Israel's security strategy, as formulated in the writings and deeds of David Ben-Gurion (e.g., the government decision regarding the national defense policy of October 1953), contained five principles: a qualitative edge in conventional means of warfare; a nuclear deterrence image; special relations with a superpower (France, the United States); technological and economic superiority; and national resilience based in part on Jewish immigration and the connection with the Jewish people in the diaspora.

Israel strove for extended periods of calm and for the longest possible postponement of the next military conflict, and when the situation demanded, for a quick decision in the military campaign. Within the military-security circle, this approach was reflected in two central principles: "national service" (mandatory military draft and reserve duty) and "the security triangle," composed of "deterrence," "early warning," and "decision." In many ways, the Sinai Campaign in 1956 and the Six Day War in 1967 were the successful realization of these principles.

Israel's strategic situation underwent a profound transformation in early 1979, the start of the nation's second thirty years of existence. On March 26, 1979, Prime Minister Begin, President Sadat, and President

Carter signed a peace treaty between Israel and Egypt, putting an end to the era of wars between the two states. At the same time Iran also experienced a fundamental change, when in early February 1979 Ayatollah Khomeini landed in Tehran, starting the process of entrenching an Islamic regime.

From being an ally of Israel, Iran became its enemy, both in thought and in deed. In order to promote its objectives, Iran also established Hizbollah in Lebanon. Somewhat related to the upheaval in Iran and the radicalization of the Shiite denomination was the acceleration of Sunni terrorism in the late 1970s. These transformations were accompanied by another disturbing dimension: the enhanced effort among primarily second and third tier states to acquire surface-to-surface missiles and nuclear weapons.

These developments generated three primary changes in Israel's security and strategic environment:

a. Sources of relative regional stability (the Cold War, the power monopoly of regimes) were undermined and the complexity of Israel's strategic problems increased, which made both analysis and response more difficult. A broad spectrum of opportunities in the region became part of the political process, but at the same time the threats expanded to encompass more distant circles and became more complex – each threat in and of itself and in the synergy between them.
b. A limited military campaign on an average of every three to four years became the norm.
c. The composition of the threat against Israel changed. The conventional military threat lost its centrality, while the threats of terrorism and non-conventional weapons became a mainstay of security and strategic consideration.

At the same time, changes occurred in the attitude of Israeli society to political and security challenges, affecting ideas on appropriate responses in national security (e.g., the public debate on the "the just war").

Nonetheless, these changes did not prompt a shift in the fundamentals of the national security concept. In the wake of the trauma of the Yom Kippur War, until the early 1990s the security establishment's mode remained preparedness for a comprehensive war. From the early 1990s, several attempts were made to reexamine the security concept, but there

were no substantial changes in the security strategy because the need to update it was not yet seen as critical. Indeed, the structural and essential difficulties in effecting a reexamination of these issues outweighed the necessity of the debate.

The most recent effort was undertaken by the committee headed by Dan Meridor to review the security concept, which delivered its report in early 2006. The political and public deliberation of the report was in effect put on hold after the Second Lebanon War, ironically when the results of the campaign indicated just how much a profound rethinking of Israel's national security was needed. The adjustment made to the "security triangle" included the detailing of its principles, such that they would be relevant to the full spectrum of possible confrontations and challenges:

a. In terms of deterrence: The primary effort was to create relevant deterrence in the fight against terrorism. However, deterrence at its core is designed to affect decision makers of state entities to reject the decision to embark on a confrontation; thus its relevance to terrorist organizations is deemed limited. The discussion about deterring terrorism delayed consideration of systematic attacks against terrorism infrastructures ("the swamp rather than the mosquitoes"), which was the effort that in fact lowered the number of terrorist attacks.
b. In terms of early warning: Warning was initially intended to identify intentions and preparations of states for broad military moves against Israel. It was then expanded to deal with all types of possible threats, from the development of a military nuclear program to the intentions of a single terrorist to carry out an attack. This definition turned the concept of early warning into a total one, so that security elements lost a significant range of their flexibility.
c. The most problematic discussion was the expansion of the concept of decision. The term was coined in the inter-state context: through military force, one state imposes agreement to a preferred policy on another state and in the Israeli context promotes the preference for political dialogue over the use of military means. On this level, Israel earned a decision against states in the region at the end of the Yom Kippur War. For a host of reasons, the drive to apply the term "decision" in clear non-conventional military contexts is not feasible.

In recent years, particularly in light of the deliberations of the Meridor committee, a fourth concept was added to the security triangle, namely "civil defense," or to use a somewhat broader term, "defense." The State of Israel invests a significant portion of its security budget in passive self-defense. Those who would expand the notion of defense add some specific offensive tools to self-defense, tools designed to foil high trajectory fire and terrorist attacks under the threshold of broad escalation. In practice, this entails a response in which a significant monetary investment partially replaces a discussion of strategic and political dilemmas.

Therefore, the central feature of "defense" is its tendency to expand to additional areas and budgets and to include response components that cannot be defined by other concepts. The contents and limitations of the concept of "civil defense" or "defense" are unclear, and in any case the term contradicts the traditional security strategy principles to the extent that it may not be possible to add it to the other three without a reexamination of the latter (e.g., the effect of extensive investment in "defense" on Israel's capacity to realize its economic superiority).

The failure to update the national security strategy and doctrine in the last three decades has cost Israel dearly at the strategic level, at the operational level, and in the ability to affect the time dimension (i.e., undertaking preplanned political and security moves to reduce the time span between military campaigns).

In the military-security circle Israel failed to identify an important aspect of the change in its enemies' doctrine in a timely manner. By clinging to the old concept and its principles, Israel lost initiative and became reactive in the face of the new challenges (e.g., entering into the first intifada without a broad security response to civilian violent disorder or the lack of a well thought-out policy to the kidnappings issue). As a result, Israel lagged behind in some instances of the technological and conceptual arms race, and had to develop a response to the enemy while under attack and under time pressure (e.g., surface-to-surface missile attacks preceded the operability of the ABM Homa project; the suicide bombings preceded the defense

In the military-security circle Israel failed to identify an important aspect of the change in its enemies' doctrine in a timely manner. By clinging to the old concept, Israel lost initiative and became reactive in the face of the new challenges.

barrier in the West Bank; the Qassam preceded the R&D of the Iron Dome system). Only thanks to technological and operational excellence did Israel manage in the end to preserve clear superiority over the enemy.

The Next Thirty Years: New Directions for Israel's Security Doctrine and Security Policy

First of all, it is important to understand the imperative of developing and updating the approach to Israel's security strategy, security policy, and security doctrine. The next thirty years will likely be decisive to the security of the State of Israel, as central developments may well present difficult questions – for better and for worse – to the fundamentals of the strategy. One of the most prominent examples is the long term view of the special relationship with the United States.

As a result, the need to deal with these questions systematically will only grow stronger and will require a dynamic, ongoing process of analysis, which must be based on an effort at the national level to define the strategic goals, identify problems, suggest a range of creative ideas to solve them, and formulate revised foundations.

It is wrong to manage such a process by means of ad hoc committees and measures, as occurred in the last twenty years. It must be based on organized processes such as the periodic examination of the security strategy, security policy, and security doctrine of major Western states presented in policy reviews, usually published at set times. It also requires input from the decision makers who will have to direct the debate, take part in it, and assimilate its conclusions. It must entail long term thinking on the basis of possible scenarios and war games. There is no justification to the statement that Israel operates in a dynamic environment that does not make long term thinking possible. It can be easily demonstrated that Israel's surroundings do not change at a pace that is much faster than the global surroundings of the United States.

In the political-strategic circle, several fundamental changes come to mind. First, it is necessary to define this discourse within the broadest possible national context, going beyond familiar security establishment principles where action is restricted to the military-security circle. Next, it is necessary to formulate the context of the process to allow the setting of clear principles of national security strategy, taking full advantage of opportunities and tackling the risks.

In the military-security circle what is needed above all is a different set of basic terms. An examination of current concepts and the addition of new ones will remodel the fundamental building blocks of national security doctrine and policy, and offer many more responses and greater flexibility in the face of the growing range of challenges stemming from complex, rapidly changing strategic situations given the various types of confrontations and growing number of ways to use force. These concepts would be determined by fundamental terms, defined meticulously, researched thoroughly, and reexamined periodically according to an orderly process of review.

In this context, it is important to sharpen the definitions of the terms deterrence and decision. Somewhat surprisingly, it appears that at present Israel is indeed confronting entities with state-like features. Israel must maintain concrete deterrence against Syria and Iran to keep their leaderships from direct or indirect operations against Israel. At the same time, Israel maintains basic deterrence in its peaceful relations and partnerships with Egypt, Jordan, and Saudi Arabia. Adding to that the fact that Hizbollah and Hamas, the two terrorist organizations representing the major threat against Israel, are becoming semi-sovereign entities with increasingly established militaries allows us to apply the terms of deterrence and decision against them.

Consequently, "deterrence" is quite relevant with regard to many of the leaderships of the entities threatening Israel. It should focus on preventing or postponing the decision to enter into a conflict rather than on aspects of force buildup, including non-conventional weapons. As a result of a variety of reasons, deterrence is not relevant with regard to force expansion. For example, concealment and denial by one side makes it difficult to define – both internally and externally – what is being deterred. It is also important that the term "deterrence" would not be applicable to small, network-like terrorist organizations that are unconnected to state entities.

The "decision" principle – the imposition by military force of a desired policy on the opposing state entity's leadership – is also of major relevance. Israel can strive for a military campaign in which it would impose its policies on states and semi-sovereign terrorist organizations in the first tier. Three different objectives are possible: achieving a political dialogue about a peace treaty with conditions that favor Israel; achieving a decision

against a semi-sovereign terrorist organization such that the legitimate government is able to disarm it and fully realize its own sovereignty; or consolidating the two terms of decision and deterrence and attaining long term security, i.e., a decade or more, in order to improve the current situation of a limited military campaign every three to four years. At the same time, for many reasons the term "decision" cannot be applied to states in the second or third tiers, notably Iran.

"Early warning" should no longer be used as a principle that stands alone. The general efforts of the intelligence community – to identify the enemy's intentions and capabilities, indicate when and where the enemy intends to operate, generate intelligence that will render operations precise and effective, and examine the effect of the operations on the enemy – are much broader than what is contained in the concept of "early warning" and are deeply embedded in the other fundamental terms. It is therefore unnecessary to set these efforts apart under a separate term. Indeed, early intelligence warning is an integral part of the definition and application of other fundamental terms (e.g., it is part of decision, because it allows the call-up of the reserves in time, a move crucial to attaining decision; or it provides early warning about the erosion of deterrence). It is precisely by not specifically identifying intelligence gathering with "early warning" that it becomes easier to connect the principles of response with the work of the intelligence community (intelligence provides deterrence, decision, disruption, and so on).

"Resilience," which should replace "civil defense" or "defense," means the conscious decision to sustain the enemy's use of force over a defined period of time and minimize the damages through means of defensive systems and civilian defense and specifically targeted offensive capabilities. Adopting this as a fundamental concept alongside principles of disruption or prevention and elimination as defined below is likely to allow the State of Israel to control the timing of the military confrontations, attain the optimal military outcome in them, and lengthen the intervals between them. The ability to realize this principle depends on an open, engaging dialogue between decision makers and the public to enhance the much needed national resilience as a basic condition to successful "resilience."

The term "resilience" is central given two threats that are coming into clearer focus: the capability of all of Israel's enemies to attack the

greater Tel Aviv region such that it is a certain target in the campaigns of the future, and the growth in the enemies' capability to generate targeted damage such that it becomes imperative to defend Israel's strategic and military assets, which are the basis for attaining military success in a campaign and for quick return to normal life afterwards.

Some additional new fundamental terms must be adopted for a full formulation of Israel's national security doctrine. The fourth term (after decision, deterrence, and resilience) is "disruption" or "prevention," a preventive measure to keep the enemy from developing threat capabilities. This principle advances the definition and conduct of political and security efforts to prevent the enemy from acquiring advanced weapon systems and threatening technologies (e.g., the political effort to prevent the sale of the S300 aerial defense system to Iran; intercepting ships with weaponry cargoes) or to disrupt the enemy's ability to develop them.

The fifth term is "elimination": damaging a specific existing capability (non-conventional weapons, terrorism) in order to deprive the enemy's arsenal of its capabilities or have it become the basis for advancing a broad strategic enemy objective. All security and military activity designed to deny a capability from the enemy is included in this principle. Elimination can be expressed as a single move to destroy a capability (e.g., attacking the atomic reactor in Iraq), or as an extended campaign to suppress it (intercepting suicide bombers before embarking on their missions, preventing flotillas to Gaza by political and security means.

The sixth term is "paralysis," meaning a decision by the State of Israel to embark on a military confrontation against an enemy in order to deny it its main capabilities to harm Israel, in part by expanding deterrence, even if the campaign does not end in a decision. So, for example, defining the desired goals in the Second Lebanon War in terms of paralysis and resilience could have made it easier for the decision makers to define and realize the objectives of the war.

The seventh term is "approval," using the gamut of military-security efforts to obtain and preserve approval among key international and regional elements as to Israel's use of force. Realization of this goal is based on diplomacy, legal steps, and public diplomacy; and more important, the careful upholding of acceptable international law and Israeli law by the fighting forces and serious efforts to ease the situation of the civilian population. The term "approval" in the military-security

circle connects to the broader effort at the level of the political-strategic circle to improve Israel's international image.

The eighth term is "security cooperation," i.e., taking full advantage of the strategic opportunities emerging in part from the positive processes in the region by developing extensive security and military cooperation with states in the international and regional arenas in order to improve and enhance the response to threats. By connecting international and regional elements, it is possible to expand the military-security circle beyond the State of Israel's own capabilities. At the same time, this cooperation incurs costs in terms of limitations on operating force, stemming from the need to abide by the conditions laid down by the other side.

Application of Fundamental Concepts in Force Use, Force Buildup, and Inter-Organizational Cooperation

These eight fundamental security doctrine concepts provide the foundation for policy debate in the military-security circle regarding response to the central threats Israel faces. A combination of deterrence and decision against the Syrian army would continue to be dominant, but it is also possible to consider the alternative of paralysis (instead of decision), because denying capabilities, which is inherent in paralysis, can have a real effect on political developments the day after, and it can be achieved at lower military and civilian costs to Israel.

With regard to Hizbollah, it is possible to consider a move linking disruption to deterrence. If there is a decision to initiate a military campaign, the element of resilience can be added to paralysis. An alternative approach is to consider decision, i.e., the disarming of the organization by the Lebanese government or attaining a period of security lasting a decade or more. The very development of these alternatives may allow Israel to reduce Hizbollah's ability to affect the timing of a military campaign and its intensity and outcome.

As for Hamas, it is possible to combine disruption with resilience, and at a certain point transition to paralysis or decision, meaning the start of a process of restoring the Palestinian Authority to the Gaza Strip. In a campaign against Hamas in the Palestinian arena, there is great importance to the term approval, as was evident in the flotilla incident. The principle of security cooperation comes into play in the security

dialogue with countries in the international arena and with Egypt to prevent Hamas's buildup based on external sources.

With regard to the PA, it is possible to combine security cooperation with the PA, independent elimination of terrorism, and attainment of approval with the PA regarding a military campaign against Hamas.

In the Iranian context, it is important to discuss the principle of security cooperation in the response. In the attempt to tackle the Iranian threat, it is impossible – and strategically incorrect – to talk about decision.

The eight new fundamental terms and the discussion they generate in the debate on Israel's security policy will affect not just the use of force but also its buildup. Basing the security policy on these concepts may help Israel define the construction of its military and security response and prioritize the alternatives in a way that would allow a profound discussion as a basis for determining where to strengthen the IDF and the security establishment.

Thus, for example, determining that the objective of a confrontation with Syria is paralysis rather than decision may steer force buildup towards defensive and offensive sufficiency, i.e., the necessary minimum of heavy platforms, with emphasis on fighter jets and tanks, and more precision firepower, stealth, and special operations capabilities. Such a change in the mix could serve construction of paralysis capabilities vis-à-vis terrorism and the elimination of non-conventional weapons threats. A decision regarding the proper response mix between decision, paralysis, and resilience vis-à-vis Syria, Hizbollah, and Hamas may sharpen the discussion on resources and the scope of investment necessary in defensive systems.

> Basing the security policy on these eight new fundamental concepts may help Israel define the construction of its military and security response and prioritize the alternatives at its disposal.

A security policy based on these eight terms is a basis for defining the deeper feature of coordination of the actions required at every level – diplomatically, security-wise, and militarily. Through them, it is possible to improve inter-organizational coordination and to sharpen the responses to the challenges. For example, it is clear that the principles of resilience and approval require profound inter-organizational cooperation to define doctrinally and construct organizationally the joint capability of realizing

them. Similarly, achieving disruption with regard to Hamas requires deep cooperation between the IDF and the GSS, while resilience vis-à-vis Hamas requires a connection between the IDF's Home Front Command and the civilian systems.

Conclusion

The strategic changes in Israel's environment suggest two thirty-year periods. In the first, until 1979, the principles of the traditional national security strategy provided adequate response to the challenges. During the second thirty years, the discussion of national security led to certain modifications, but Israel largely became a reactive player responding to its enemies' evolution. The next thirty years are likely to be even more significant because Israel – for better and for worse – is entering a period that challenges the fundamentals of the nation's security strategy.

Given this situation, a profound transformation in the political-strategic circle is required on the basis of an extensive as well as intensive discussion. The State of Israel will pay dearly if such a process is not carried out – even calling into question its very own future. At the same time, revisions are required in the military-security circle – in the security doctrine and security policy – on the basis of a discussion of these eight fundamental terms.

Unusually Quiet: Is Israel Deterring Terrorism?

Jonathan Schachter

Introduction

Recent years, and 2009 in particular, were relatively quiet in terms of Palestinian terrorist activity within Israel. 2009 was the first year in a decade in which Israel did not experience a single suicide bombing. Some senior officials have attributed this comparative calm to Israeli deterrent power,[1] especially in the wake of Israel's use of force during the Second Lebanon War (2006) and Operation Cast Lead (December 2008-January 2009). This essay will briefly examine the role and limitations of deterrence in Israeli counterterrorism efforts, while recognizing that determining the effectiveness of deterrence is easier said than done. The available evidence does not allow for definitive conclusions, but suggests that Israeli deterrent success is more modest than is often presumed, and that Israel is not making optimal use of the deterrence-enhancing tools at its disposal.

Analytical Challenges

Palestinian terrorism has manifested itself in many forms, including most recently rocket fire from Gaza. Though rocket attacks have been perhaps the most pressing terrorism problem for Israel of late, the analysis below relies on the incidence of attempted and successful suicide bombings as an indicator of Palestinian terrorist activity. To be sure, this approach is problematic. On the one hand, it reflects the tactic's impact on Israel and its preferred status among groups seeking to attack. Suicide bombing carries numerous tactical advantages over other means of attack, enjoys broad Palestinian public support,[2] has proven itself to be particularly

Dr. Jonathan Schachter, research associate at INSS

disruptive throughout Israel (i.e., not only in specific areas, such as those within rocket range), and since 2000 is responsible for far more Israeli fatalities than any other mode of attack.[3]

On the other hand, a terrorist group's choice of tactics reflects, inter alia, its desire to maximize the chances of success in the face of security measures. Suicide bombing itself is in part a response to the difficulties encountered in placing "unattended" explosive devices in sight of an aware, suspicious, and proactive Israeli public. So too the launching of rockets from Gaza in part reflects the difficulty Gaza-based terrorist groups have in dispatching suicide bombers, active shooters, and other attackers across the heavily fortified Gaza-Israel border. Thus, one cannot simply attribute a reduction in or lack of suicide bombings emanating from Gaza to *strategic* deterrence and a consequent decision not to attack at all. The emphasis on rockets, rather than suicide bombers, is more likely to reflect *tactical* deterrence (i.e., the choice of one tactic over another in order to improve the chances of success). Yet while Israel has a clear and ongoing interest in making suicide bombing and other terrorist tactics more difficult to execute, it is obviously better if attacks are not even attempted. Given this underlying principle, strategic deterrence is the primary focus of this analysis.

In the context of deterrence, the challenger's status quo is the subject of little or no open discussion, suggesting that Israel is paying too little attention to one of the two most important variables in its terrorist challengers' decision making.

Identifying deterrence cause and effect is complicated further, because although Israel's current deterrent efforts toward Hamas focus primarily on Gaza, and although the group's senior decision makers are located there and in Damascus, most of its suicide bombing activity has originated from the West Bank, where conditions are significantly different in terms of governance, Israeli and Palestinian security activity, freedom of movement, and economic development.

Among this tangle of difficult-to-isolate and measure variables, what is clear is that Hamas and other Palestinian groups engage with varying intensity in different terrorist activities at different times and that the reasons for this are complex. Nevertheless, the assumption here is that used cautiously, data on suicide bombing can provide insight into terrorist intentions and activities more generally.

Does Deterrence Explain the Current Lull?

Deterrence provides one possible explanation for the total absence of successful suicide attacks in 2009. Referring specifically to the drop in suicide attacks and to the recent decline in both Hamas and Hizbollah activity more generally, Head of IDF Intelligence Major General Amos Yadlin credited deterrence first and foremost:

> In retrospect, we can see clearly that the enemy is refraining from pulling the trigger or striking the State of Israel. At its foundation, deterrence rests on a simple cost-benefit calculation carried out by the enemy – between the benefits of striking us and the implications and the cost of such a provocative step. The cost derives from the enemy's understanding of our ability to strike it and its willingness to take such a risk. Today the enemy assesses that [the implications and cost] are high and doubts its ability to predict our moves, after having failed to do so in Lebanon in 2006 and in Gaza in 2008.[4]

Explanations besides deterrence, however, are no less plausible and possibly more likely. Indeed, Yadlin went on to list four other factors that appear to be contributing to this period of quiet:

a. The two groups' official status, one a political party in Lebanon and the other the de facto government in Gaza, has created a level of accountability that did not prevail when both groups were entirely extra-governmental.
b. The groups are using the current period to rearm.
c. The influence of internal politics both in Lebanon and among Palestinians has diverted the groups' attention away from the conflict with Israel.
d. Related to this is the perceived need for international legitimacy, which is undermined by terrorist activity.

The explanations listed above, including deterrence, share the assumption that the reduction in terrorist attacks is the result of a decision (or set of decisions) not to attack. Consistent with this assumption is the remarkable absence of any mention of Israel's preventive measures, including the still incomplete separation barrier between Israel and the West Bank and the nearly constant West Bank operational activity of the IDF, as well as the reportedly effective counterterrorism efforts of the Palestinian Authority's security forces. The silence on this matter is

curious, as reduced efforts to attack and successful prevention are by no means mutually exclusive; both can contribute to a lower overall rate of successful attack. Nevertheless, prevention went unmentioned by Yadlin while the enemy's self-restraint was highlighted. Thus the assumption here warrants scrutiny: were there no suicide bombings because Hamas and other Palestinian groups stopped trying to attack Israel in 2009?

Answering this question fully is not as straightforward as it might seem. Deterrence is notoriously difficult to assess (how does one measure events that did not occur?). Moreover, in this case the available data lacks the granularity necessary to draw precise conclusions regarding likely causality. Nevertheless, a total lack of attempted attacks in 2009 would at least suggest that deterrence and/or one or more of the other reasons Yadlin specified can account for the fact that the year passed with no suicide bombings.

According to Israel Security Agency (ISA) data, Palestinian groups continue to try to pull the trigger. Israel interdicted 36 attempted suicide attacks in 2009, suggesting that the claims of Israel's deterrence success might be overstated. As illustrated in Figure 1, this represents a 44 percent decline from the one successful and 63 interdicted attacks in 2008, a year described without explanation as exceptional in the ISA's report on terrorism between 2000 and 2009, but a more modest 26 percent decrease from the average in 2005-7. The ISA attributes the large drop in attempted attacks between 2004 and 2005 to the completion of the separation barrier in the Samaria region, though this could also reflect the politics of Hamas's participation and subsequent success in Palestinian parliamentary elections held in January 2006.

In part because the data in the ISA report does not specify who was responsible for the interdicted attacks and where they originated, it is impossible to say to what extent the decision to attack, or the decision to attack less, reflects strategic deterrence, Hamas's internal and external political or tactical calculations, operational problems, and/or the judgments of other groups. At the same time, this is not to say that because any attacks were attempted after Operation Cast Lead, deterrence failed. Deterrence might account for some or all of the reduction in attempted suicide bombings in 2009. Just as the impact of deterrence cannot be determined precisely from the quantitative data, so too deterrence cannot be ruled out as a significant factor.

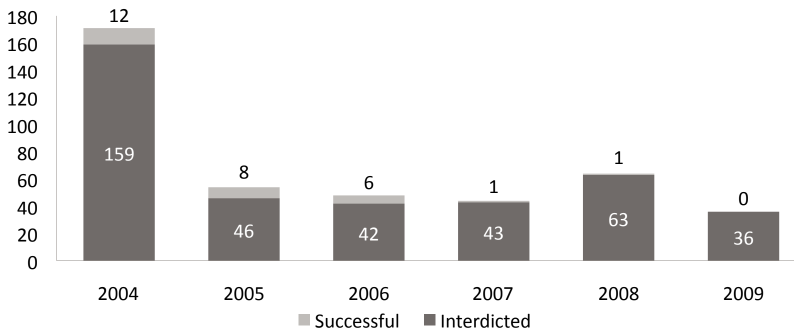

Figure 1. Interdicted and Successful Suicide Bombing Attacks[5]

Moreover, despite the analytical challenges preventing unambiguous demonstration of deterrence effectiveness, deterrence is material to the question of how Israel can reduce the threat of terrorism, especially because actions intended to strengthen deterrence under some circumstances can have the opposite effect. It is essential, therefore, to identify those circumstances and the extent to which they can be shaped by decision makers.

Factors Affecting Deterrence

Deterrence relies on the creation of a credible retaliatory threat. It is therefore perhaps natural that most of the Israeli discussion of deterrence focuses narrowly on the ability to make such a threat and to deliver on it if unacceptably challenged. This ability is linked most commonly to past and promised uses of military force, though non-military means such as economic sanctions and diplomatic pressure play a role as well.

A defender's deterrent threats are only effective if they compare sufficiently negatively with the challenger's status quo: in all likelihood, will the attack and its consequences leave the challenger better or worse off? The ways in which Israel wields its threats and affects the Palestinian status quo can either weaken or strengthen deterrence. However, in the context of deterrence, the status quo is the subject of little or no open discussion, suggesting that Israel is paying too little attention to one of the two most important variables in its terrorist challengers' decision making.

Deterrence can be undermined if the challenger's status quo gets worse, and in several ways. At the most basic level, as the difference

between the status quo and the outcome of threatened retaliation (i.e., the challenger's relative cost of action) shrinks, the likelihood of successful deterrence shrinks with it. Another way of conceptualizing this posits that a worsened status quo can lead to increased challenger motivation, and therefore increased threat of attack. More simply, it is increasingly difficult to deter a challenger with less and less to lose.

The status quo can deteriorate as the result of specific actions (e.g., destruction of infrastructure, economic sanctions), but also because of political stagnation (i.e., little or no diplomatic progress toward conflict resolution). In other words, the status quo is not static, and is subject to change (and manipulation) if problems are left unaddressed. The result of this is that over the long run, over-reliance on deterrence in general and on deterrent threats in particular can lead to a situation where deterrence undermines itself.

Deterrence can also be weakened if the challenger's defenses, and with them the ability to absorb retaliatory strikes, improve, or if the defender's credibility is weakened. In this sense, Israel's restrictions on the import of materials into Gaza that can be used in the construction of bunkers and its post-Operation Cast Lead policy of attacking targets in Gaza after every rocket or mortar attack can be seen as efforts to enhance, or at least maintain, deterrence.

Through "inducement" measures to improve the Palestinian status quo, Israel can inflate the relative strength of its deterrent threats and potentially reduce the appeal of terrorist groups in the process.

Posing credible retaliatory threats can strengthen Israeli deterrence, and the use of force can reinforce or restore credibility. Israeli actions during the Second Lebanon War and Operation Cast Lead might have had exactly this effect. It is not necessarily the case, however, that the more force is used, the greater the deterrent effect. On the contrary, the relationship between exercised force and subsequent deterrence appears to be limited by at least two factors. First, the use of force can create a new status quo sufficiently bad that the perceived costs of additional applications of force are relatively low. As this relative cost drops, deterrence becomes weaker. Second, and perhaps more germane given Israel's post-Operation Cast Lead experience, if the use of force leads to international condemnation, loss of political and diplomatic support, and/or charges (whether with or

without foundation) of war crimes and subsequent investigations (e.g., the Goldstone Commission), the result is likely to be greater difficulty and hesitation to use force in the future. This, in turn, can make deterrent threats less credible and therefore less likely to be persuasive.

The question persists whether terrorism can be deterred in the first place. Many discussions of deterring terrorist groups dismiss the possibility because such sub-state challengers typically lack critical assets that state defenders can threaten convincingly. This is a valid and significant concern for those developing counterterrorism policy. Interestingly, as noted by Yadlin,[6] the participation of both Hizbollah and Hamas in legitimate political processes and their assumption of at least some of the functions and responsibilities of government have helped resolve this matter by associating the groups with the institutions and infrastructure of their respective polities, giving them more to lose than was the case when they were more purely opposition movements.

Having more to lose is simply another way of saying that the groups' status quo has improved. Herein lies an underappreciated and somewhat counterintuitive deterrence lever. By taking steps – known in deterrence literature as "inducement"[7] – to improve the Palestinian status quo, Israel can inflate the relative strength of its deterrent threats and potentially reduce the appeal of terrorist groups in the process. In this light, one would expect (at the moment) that Israeli deterrent power could be greater in the West Bank than in Gaza, given the significant and growing economic, social, and other differences between the two regions, even though of late Israel has used far more force in Gaza.

> While the effectiveness of Israeli counterterrorism deterrence is difficult to quantify, it likely could be improved by recalibrating its underlying mix of threats and inducement actions to enlarge the space between the Palestinian status quo and the promised result of future Israeli retaliatory actions.

Like reliance on deterrent threats, however, inducement measures are likely to have limited effectiveness. While they can make the potential outcome of a retaliatory strike more costly, by definition they make at least some current problems less urgent, which in this case can undermine other Israeli foreign policy goals vis-à-vis Hamas (i.e., aside from deterring terrorist attacks) such as applying economic and other pressure on the group and pushing for the release of IDF soldier

Gilad Shalit. An improved status quo can also lead to increased external pressure on Israel not to make good on its deterrent threats. For example, neither American nor European donors are eager to see their considerable investments in Palestinian infrastructure go up in smoke, regardless of the circumstances.[8] Inducements, like threats, therefore can both contribute to and impede deterrence. Which effect prevails depends on how each is employed and under what circumstances.

Inducement carries two other concerns for governments confronting a terrorism threat. First, because inducement can be interpreted or spun as capitulation to terrorists, it is possible that such actions could lead to increased terrorism in order to secure additional concessions and/or lead other or previously non-violent groups to adopt violent tactics in order to gain concessions of their own. Second, this same interpretation or spin can set the stage for political opponents to level charges of giving in to terrorism, which is anathema in Israel, at least publicly, as it is in most democracies.

Conclusion

More than two years have passed since the most recent suicide bombing in Israel. Whether and how long this period of relative quiet will continue depends on a number of factors, including Israeli deterrence efforts, Israeli and Palestinian Authority security measures, and Palestinian terrorist groups' political and operational considerations. While the effectiveness of Israeli counterterrorism deterrence is difficult to quantify, it likely could be improved by recalibrating its underlying mix of threats and inducement actions in order to enlarge the space between the Palestinian status quo and the promised result of future Israeli retaliatory actions. Doing so in a way that maintains or, preferably, reinforces the credibility of Israeli deterrent threats is likely to pose a considerable challenge to Israeli decision makers. The easing of Israel's economic restrictions on Gaza following the May 2010 flotilla incident might constitute the basis for a natural experiment of sorts. Could the improvement of the status quo in Gaza lead to stronger Israeli deterrence?

Notes

1 See, for example, remarks by Israel Air Force Commander Ido Nehushtan in Noam Bar-Shalom, "Israel Is Deterring Hamas and Hizbollah," Israel Radio, May 11, 2010.
2 Juliana Menasce Horowitz, "Declining Support for Bin Laden and Suicide Bombing," Pew Global Attitudes Project, September 10, 2009, http://pewresearch.org/pubs/1338/declining-muslim-support-for-bin-laden-suicide-bombing.
3 Israel Security Agency, "Analysis of Attacks in the Last Decade: Suicide Attacks," n.d., http://www.shabak.gov.il/SiteCollectionImages/english/TerrorInfo/decade/SuicideAttacks.pdf, p. 1.
4 Remarks delivered at the Institute for National Security Studies, December 15, 2009.
5 The ISA defines interdiction quite conservatively: "a last-minute [interdiction] is…where the terror-infrastructure had been prevented/stopped when it was already on its way to mount the attack; namely not at the stage of planning/organizing, but after the attack or the perpetrator are already underway." Israel Security Agency, "Analysis of Attacks in the Last Decade: Suicide Attacks," n.d., http://www.shabak.gov.il/SiteCollectionImages/english/TerrorInfo/decade/SuicideAttacks.pdf, pp. 1-3.
6 Remarks delivered at the Institute for National Security Studies, December 15, 2009.
7 See Alexander L. George and Richard Smoke, *Deterrence in American Foreign Policy: Theory and Practice* (New York: Columbia University Press, 1974).
8 See, for example, Tovah Lazaroff, "EU Official: Hamas Overwhelmingly Responsible for Gaza Damage," *Jerusalem Post*, January 27, 2009.

Israel and the CTBT

Alon Bar

Statements by the Obama administration that it hopes to ratify the Comprehensive Nuclear Test Ban Treaty (CTBT), together with discussion of the CTBT at the NPT Review Conference this past May, invite a reexamination of Israel's stance on the treaty, its considerations regarding ratification, and its interests vis-à-vis the treaty. Israel signed the CTBT in September 1996 when it was first opened for signature, but it has yet to ratify the treaty.

A presidential decision alone does not allow the United States to ratify the treaty. Rather, ratification must be approved by a two thirds majority of the Senate, a level of support that President Clinton was unable to muster. President Obama is determined to promote the treaty's ratification, part of his broader agenda of nuclear disarmament and increased cooperation with multilateral arrangements. His strong track record in matters connected to internal political affairs in Washington augurs well for this endeavor. However, the Senate – whose political composition has changed since the Clinton era – will soon debate an agreement between the United States and Russia on limiting nuclear warheads, an agreement that will require serious efforts by the administration for ratification approval. The increasingly critical atmosphere in the Republican party regarding the administration's policy has made it difficult to garner Republican support for ratification (the support of a number of Republican members of Congress is essential for the required majority). Coupled with the foreseeable changes that will occur in the Senate as a result of the midterm elections in November, there is no guaranteed improvement in the prospects of enlisting the majority required for ratification.

Alon Bar, visiting research associate at INSS

Although the Obama administration is thus unlikely to achieve the goal, any future ratification of the treaty by the Senate will create a new dynamic regarding the treaty that will obligate Israel to examine its policy anew. This article analyzes Israel's main considerations on ratification of the treaty; the validity of those concerns; if these concerns have materialized; and if there are other important political or strategic considerations that justify further examination.

The Road to Ratification

Israel signed the CTBT and figures among the 44 "Annex 2 states" whose joining the treaty (including ratification) is a prerequisite for the treaty entering into force.[1] On the basic level, Israel's joining the treaty does not contradict Israel's overall policy in the nuclear field. Signing the CTBT was even presented as one of the central components of Israel's updated policy on weapons control, a policy that involves cooperation with multilateral agreements while at the same time protecting Israel's security interests. This is undoubtedly the most important step to consider when examining the application of this policy as it plays out in the nuclear realm.

The international community's avoidance of invasive monitoring mechanisms stems primarily from geopolitical considerations. It is eminently likely that these considerations would not prevent – and might even encourage – states to act against Israel.

Israel's willingness in principle to join the treaty was apparent in the positive approach it demonstrated in the framework of various activities conducted by the CTBT organization's preparatory committee, which is working to bring the treaty into force. Its active cooperation in formulating the procedures for on-site inspection, which are supposed to organize the manner of inspection in the event of a complaint as to a violation of the treaty, was especially noteworthy. Israel has also established two auxiliary seismic monitoring stations (in Eilat and in Meron) in the framework of the treaty's monitoring system. In addition, Israel has publicly expressed support for the treaty at every opportunity, even during the years of the Bush administration, when it was clear that the United States did not intend to ratify the treaty.

In the many statements issued at the various frameworks concerning the CTBT (the IAEA Conference, the UN General Assembly's First Committee, the conference for ratifying states, and others), Israel clarified its three main considerations regarding ratification of the treaty: completion of the inspection system, including rules governing the "on-site inspections" that prevent their misuse by other states; Israel's right to an equal status in the framework of the treaty's institutions that determine policy; and regional concerns, for example, Israel's declaration at the September 2009 conference to promote the CTBT's entry into force.[2]

Completion of the Inspection System

Completion of the International Monitoring System (IMS), the system of receiving and analyzing signals recorded by the International Data Centers (IDC), and the formulation of inspection processes – especially those relating to on-site inspection – are necessary in order to prevent the misuse of the treaty's surveillance system to expose sensitive security information or to create political pressure. Israel is a small country brimming with sensitive security facilities. Any investigation of claims that Israel has breached the treaty may potentially lead the inspectors to areas where these facilities are located. Requests to limit the inspectors may potentially lead to ungrounded accusations against Israel.

The circumstances created by regional politics heighten the chances of the treaty's misuse to expose critical information or to humiliate Israel. The automatic enlistment of the Arab world, the Muslim population, and at times the countries of the Non-Aligned Movement (NAM) to support all means of isolating Israel is another reason for concern. The "special treatment" that Israel receives in any international framework, from the human rights conference in Geneva to the NPT Review Conference, the universal jurisdiction laws used in different countries primarily against Israelis, and other examples all suggest that a number of clauses in the treaty could well be misused for the sole purpose of harming Israel.

To assuage the fear that the inspection mechanisms could be misused, it is often claimed that to date there has never been any implementation of invasive mechanisms such as IAEA special inspections (in the event of suspected breach of the NPT). The IAEA's decision to send a special inspection to North Korea was never carried out because of North Korea's refusal to allow the delegation entry into its territory. Similarly,

the Organisation for the Prohibition of Chemical Weapons (OPCW) was never called on to undertake challenge inspections to verify whether the Chemical Weapons Convention was breached. This is despite the fact that over the years there were various indications that these treaties were breached by member countries.

The problem is that this argument not only fails to allay the fears of discriminatory misuse of these mechanisms against Israel; it actually reinforces them. The international community's avoidance of invasive monitoring mechanisms, such as the IAEA's special inspection or the OPCW challenge inspection, stems primarily from geopolitical considerations. It is eminently likely that these considerations would not prevent – and might even encourage – states to act against Israel, the regional and international circumstances being such that the vast majority is automatically anti-Israel in nearly every multilateral framework.

Israel's involvement in the formulation of the on-site inspection procedures, the demand for their completion, and the insistence that the supervision will focus solely on what lies within the treaty's purview are intended to ensure that the procedures would not be misused to the detriment of Israel's security interests on the basis of false accusations.

The Right to Equal Status

According to the rules of the treaty (article 2, section C, paragraphs 28 and 29), the CTBTO's executive council is appointed by dividing up into regional (geographic) frameworks that elect their own representatives, who are then presented for approval by the member states. According to the regional division determined by the treaty (Appendix 1), Israel lies in the Middle East and South Asia region (MESA). This regional group, however, is currently non-operational due to Iran's refusal to participate in any group that includes Israel. As such, Israel's right to equal opportunity is hindered by the organization responsible for implementation of the treaty.

Regional Considerations

There are those who tend to interpret regional concerns as related primarily to Iran's and Egypt's figuring among the 44 "Annex 2 states." This is a significant consideration indeed.[3] Despite the fact that within the framework of the NPT the testing of nuclear explosive devices by any

of the countries in the region is in any case prohibited, it appears that from a "legal" standpoint, joining the CTBT would indicate a slightly deeper commitment (commitment to the CTBT continues even in the event that a country leaves the NPT) as well embodying significance in terms of its public message.

The 2010 NPT Review Conference emphasized a country's right according to article 10 of the treaty to leave the NPT with a three-month notice if exceptional circumstances arose to justify the move. The attempts by the Unites States and the West, in light of North Korea's behavior and the likelihood of a similar move by Iran, to make it more difficult for countries to leave the treaty (by levying a clearer international price tag or more significant commitments upon the state that decides to leave as well as on other states that supplied them with equipment and materials), were not successful. Theoretically, then, any country can announce that it is leaving the treaty and perform nuclear testing a mere three months later. The danger inherent in this possibility is also relevant for the countries that are not among the 44, such as Libya and Syria, countries that have attempted to attain military nuclear capability in the past. Joining the CTBT would render such a process illegal, although it is unclear what the weight of such a decision will be in the event that a county in the Middle East makes such a dramatic move as leaving the NPT.

It seems, though, that the regional considerations are broader and more complex. Traditionally Israel attaches supreme importance to the ramifications of its decisions in the area of weapons and security control on regional stability, on Israeli deterrence, and on the manner in which Israel is perceived by its surrounding countries.

The current mindset (certainly in Israel and in other countries of the region) is that Iran is close to attaining military nuclear capabilities, and the likelihood that neighboring countries will follow suit seems relevant to the decision to ratify, even if Iran decides to join the CTBT. Violations by Iran and Syria of their nuclear commitments (and in the past by Iraq and Libya as well), paired with the international community's difficulty in responding adequately to these

Israel's complex relationship with the current American administration warrants careful discussion of where it is possible to increase cooperation with the American agenda in a way that will advance Israel's interests and prevent a situation of international isolation.

violations, is also relevant. Are the mechanisms of the CTBT capable of dealing with the suspicion that the treaty may be violated by a country that has the automatic support of its Middle Eastern neighbors, while the international community and even the UN Security Council find it difficult to deal with these same countries' violations of the NPT?

The regional atmosphere is also a significant factor in Israel's decision. Israel's deterrence policy was intended to balance out the enormous asymmetry in terms of physical size, population, resources, and motivation of Israel's enemies to change the situation. Israel signed the CTBT amid a feeling of regional optimism: Israeli-Palestinian negotiations, the advent of Israeli representatives in Arab countries, and hopes of regional normalization. Twelve years later, cries to wipe Israel off the map enjoy broad popular support in the neighboring countries; the stability of the moderate regimes is in danger; the Iran-Syria-Hizbollah-Hamas axis is arming itself and is expanding its membership, even enjoying Turkey's support; and tens of thousands of missiles and rockets are aimed at Israel. All of these factors dramatically change Israel's perceived level of threat.

Evaluating the Considerations

On the basic level, the considerations underlying Israel's deliberations on ratification of the CTBT appear valid today.

It appears that while in recent years there has been progress toward completing the verification system and on-site inspection exercises were even carried out, critical gaps remain that must be bridged. Among them is agreement on the set of procedures to be used in guiding on-site inspections; the purchasing of proper equipment; training the inspectors; and operating the monitoring stations in the key areas, primarily in the Middle East (Egypt, Iran, and Saudi Arabia, for example), in accordance with the requirements of the treaty's verification protocols. Article 4 (section A, paragraph 1) of the treaty details the verification system for implementation of the treaty and states that "at entry into force of this Treaty, the verification regime shall be capable of meeting the verification requirements of this Treaty."

The question of Israel's equal status is seemingly a matter of principle rather than an actual issue. The equal status of the member states of a multilateral treaty, however, is a most basic component of the laws of

treaties. This equality is a right that in its absence, there is little likelihood that states would join the treaties when there are direct implications for their national security. The fact is that the international community – based on political/national considerations – is in practice allowing Iran to determine whether a certain article of the treaty should be exercised. This translates into an acceptance of discrimination against Israel. In light of the extreme hostility expressed by Iran and other states in Israel's region, the possibility for discrimination in other articles of the treaty as well, including the misuse of the treaty against Israel, is impossible to ignore.

Israel is highly sensitive to the excessive tolerance displayed by multilateral frameworks to blatant discrimination against Israel. Israel is the sole country that is mentioned by name at the UN General Assembly's First Committee every year, even though India, Pakistan, and North Korea have conducted nuclear testing. Another example is the initiative to grant the PLO observer status in the CTBT preparatory committee, against the treaty's procedural rules (the rules determine that observer status will be granted to relevant countries for the purpose of the treaty and/or countries that possess monitoring facilities in their territories). Once again, this is a matter of principle that seemingly does not materially harm Israel. The ease, however, with which the members of the CTBT are willing to ignore or are willing to change the procedural rules for the special political needs of the Middle East or Israel's interests may be cause for concern.

Regional considerations seem more valid today than ever before. How will Israel's ratification of the treaty influence the decision of other countries in the area? Will it encourage them to join? Will it strengthen their tendency to make any progress conditional on Israel signing the NPT? Will it be considered a confidence building measure or alternatively encourage additional pressure to be brought upon Israel? Nuclear technology, including that relating to nuclear weapons, has been introduced into the Middle East at alarming rates. Israel has likely calculated that signing the treaty would not diminish its deterrence. Does this stand true in the reality of a Middle East saturated with nuclear technology? Perhaps the entry of nuclear technology into the Middle

The approach that suggests that American ratification of the CTBT should automatically result in Israel's ratification must not be accepted.

East is reason for Israel's initiative for regional ratification, in order to minimize its threats.

The outcome of the NPT Review Conference (the closing document dated May 28, 2010) is a good example of the relevance of Israel's considerations. The main objective of the conference is to examine the difficulties and challenges in everything related to the treaty's implementation by the member states. Since the review conference's closing declaration in 2000 (no closing declaration was adopted in 2005), three Middle Eastern states were found to have seriously violated their obligations (Libya, Iran, and Syria); there has been a suspicious development and popularization of nuclear military technology (including "private entities" such as the A. Q. Khan network) under the auspices of nuclear technology for peaceful purposes; North Korea has performed a nuclear test; and the countries of the Non-Aligned Movement have serious claims against the nuclear states that are not implementing their obligations in the area of nuclear disarmament.

In all of these issues, the member states had difficulty agreeing on a binding plan of action. In the final document, they were unable to overcome the opposition of the NAM to accept upon themselves additional obligations related to preventing proliferation (the Additional Protocol as a verification standard of surveillance of the IAEA; limits on the development of sensitive elements in the fuel cycle; and toughening the conditions for withdrawing from the treaty), and the objection of the nuclear states to commit to new concrete steps or to timetables on the issue of disarmament. The Middle East states, headed by Egypt and Iran, opposed any mention of breach of the treaty by Iran and Syria, or even any mention of the Security Council decisions on this issue. Though some of these states likely feel threatened as a result of the nuclear policy of Iran, this was not expressed in the talks or in the final document.

On at least one issue, the member states succeeded in reaching an agreement regarding concrete steps, including a timetable: practical steps for the advancement of a nuclear weapons-free zone (NWFZ) and any other weapons of mass destruction-free zone in the Middle East. From the different reports regarding the evolution of the talks at the conference, it seems that the concrete steps initiated by Egypt were meant to isolate and pressure Israel, and that they were presented to the Americans as a condition for their agreement to a final document of the

survey committee. However, what looks like an attempt to force Israel – by means of the conference decisions dealing with the implementation of the sections of the NPT treaty by the members – to enter into negotiations regarding the WMDFZ in the Middle East does not fit the internationally accepted rules for advancement of NWFZ in other areas in the world. A 1999 report adopted by the UNDC[4] deals with guidelines for setting up a NWFZ, emphasizing the great weight that must be placed on dialogue, understanding, and agreement between all of the states in the relevant area in the effort to advance the NWFZ.

The state parties to the NPT understood that the review conference cannot make practical decisions to advance regional measures, especially when not all of the states in the area are members of the treaty, and therefore the concluding document settles for a statement of objectives regarding North Korea, India, and Pakistan. But these guidelines – the sensitivity to regional complexity, and to the interests and rights of states when these interests are related to their national security – do not figure in the review conference's final document when it discusses Israel and the Middle East. It can be assumed that the stance of many countries that accepted this approach is connected to political factors and broader geo-strategic interests.

The outcome of the review conference illustrates the relevance of Israel's considerations with regard to ratification of the CTBT, both in the multilateral context (fear of discriminatory treatment and of sections of the treaty being taken advantage of) as well as in the regional context.

Additional Considerations

President Obama's policy regarding weapons control and disarmament puts the issue of nuclear disarmament and multilateral cooperation to deal with nuclear threats at the top of the international agenda. The final document of the review conference includes demands for practical steps and for application of decisions that were made in the past, including advancement of the implementation of the CTBT; opening negotiations on nuclear issues under the framework of the convention for disarmament in Geneva, with an emphasis on the treaty to forbid the production of fissile material (FMCT); and a WMDFZ in the Middle East.

If Israel's most important ally ratifies the CTBT and is followed by additional states among the nine "Annex 2 states" that have not yet ratified

the treaty but whose ratification is essential for its implementation, international attention will turn to Israel and increase the expectations for measures on Israel's part. Israel's complex relationship with the current American administration, in addition to the administration's firm commitment to Israel's security needs, warrants careful consideration regarding where it is possible to increase cooperation with the American agenda in a way that will also advance Israel's interests, and how to prevent pressure and a situation of international isolation.

Conclusion

The obstacles to Israel's ratification of the CTBT are significant, and the developments of the past year are not sufficient reason to detract from their importance. America's participation in the treaty does not answer Israel's concerns, and therefore the approach that suggests that American ratification should automatically result in Israel's ratification must not be accepted. At the same time, additional considerations oblige Israel to put effort into formulating joint understandings with the United States that will address some of the concerns and allow for the advancement of the relevant Israeli interests. Within the framework of understandings such as these, Israeli ratification of the CTBT could be a significant element.

Notes

1 The 44 "Annex 2 states" are states that participated in the negotiations of the CTBT from 1994-96 and possessed nuclear power reactors or research reactors at that time. Entry of the CTBT into force is contingent on their signature and ratification.

2 Statement by Ambassador David Daniely, "Conference on Facilitating the Entry into Force of the Comprehensive Nuclear Test Ban Treaty," September 24, 2009.

3 Liviu Horovitz and Robert Golan-Vilella, "Boosting the CTBT's Prospect in the Middle East," *Bulletin of the Atomic Scientists* 66, no. 2 (March/April 2010): 9-16.

4 United Nation Report of the Disarmament Commission, General Assembly Official Records, Fifty-fourth session, Supplement No. 42 (A/54/42).

The Failed State: Ramifications for Israel's Strategic Environment

Yoel Guzansky and Amir Kulick

Israel faces a wide range of threats and challenges, among them terrorist attacks against civilian population centers; high trajectory fire from the Gaza Strip, Lebanon, and Syria; arms smuggling to terrorist organizations; and the growing influence of Iran in the region. Added to these are new social challenges, particularly the arrival of thousands of African refugees seeking refuge and work in Israel. While these may appear to be disparate phenomena, a broader approach links many of the threats and challenges that Israel faces in a single analytical framework centered on the notion of the failed state. This essay explains how a failing or failed state in Israel's near and far circles affects its strategic environment, and demonstrates how the use of this analytical framework suggests some new responses to the challenges Israel faces.

The Phenomenon of the Failed State

Threats stemming in part from the failed state such as civil wars, terrorism, and guerilla warfare are far more common than wars between sovereign states, and since the end of World War II more people have died as a result of these threats than in wars between regular armies.[1] Nonetheless and despite the extensive discussion of the topic in the West, the discourse on failed states lacks conceptual clarity and is oversaturated with different definitions and indices on how to identify a state as failed.[2]

As a rule, a state's power is relative and is measured primarily through its ability to provide its citizens with political assets, chief among them security. To this end, the state maintains and operates police, security, and military institutions intended to protect its citizens from internal and

Yoel Guzansky, research associate at INSS; Amir Kulick, research associate at INSS

external threats. These state institutions have a monopoly on the use of force, and the population generally sees their use of force as legitimate. The situation in the failed state is different. There, the institutions find it difficult to maintain the monopoly on law and order enforcement and often lose the popular legitimacy to exercise this enforcement.

The theoretical distinctions on the subject create a continuum indicating different degrees of state failure. Two central types stand out:

a. The crisis/failing states: In these states, government institutions cannot prevent an internal crisis and even contribute to it through policies that create social, economic, and political inequality between citizens. Additional manifestations of state failure include low levels of human and social development, a low degree of governability, and internal conflict, all of which reduce the central government's ability to provide basic services and security. In some of these states, government institutions do not reflect the will of the people, and instead reflect the will of the ruling elite or a particular ethnic group. In many cases, this situation leads to the rise of power elements in the form of local leaders – tribal chieftains or religious figures – who challenge the central government. Such a process is liable to result in the growth of sub-state entities and in certain cases in civil war, which may cause a collapse of the existing order unless various steps are taken.

b. The collapsed/failed states: These are more extreme cases of state failure and represent the end stage of the process – the collapse of the state. In this situation, central government institutions cannot ensure the necessary conditions for the existence of a state authority or impose any kind of law and order. Accordingly, the regime lacks the ability to provide security and basic services to citizens or to control the state's border effectively. In recent years, the concept of the failed state has become popular and overused, especially because of the difficulty in identifying the line separating the various situations, and so it has come to include many of the situations mentioned in the first category. Some twenty states are currently identified as failed, i.e., states that are in an advanced stage of collapse. Among these, the highest rate of failure occurs in sub-Saharan Africa and in states with a Muslim majority.[3]

What causes state failure? Most of all, a state is liable to fail when it does not succeed in cultivating the kind of loyalty that allows a specific group to shape it as a nation state. The regime's incapacity or illegitimacy causes various power groups to try to take over the regime or to control it through violence. The reasons for illegitimacy vary, from a history of colonialism that created a situation of incongruence between the borders of the state and its ethnic or national identification, to a regime that serves as a means for perpetuating the dominance of one ethnic group over all other groups in the state. Indeed, in many cases failed states are rife with political entities with significant ethnic and/or religious diversity accompanied by constitutional and electoral arrangements that do not ensure a fair division of resources among the various social units.[4]

Although failed states are not identical in terms of their historical, political, and geo-strategic features, three characteristics of state failure lie at the heart of the analytical framework: a weak regime, rampant poverty, and ongoing conflict.[5] Many states presumably appear somewhere on the failure continuum, which by nature is dynamic. What sets the failed state apart, however, is the intensity of the threats and their interrelationships. A regime's illegitimacy and/or its inability to enforce its rule coupled with weak state institutions results in the growth of various power groups trying to seize power or use violence to wreak havoc. At times the groups or organizations competing with the central regime recruit external patrons that for a variety of reasons choose to support their allies. For example, in the case of Iraq, an external power – Iran – supports Shiite political groups and armed militias identified with it religiously.

In some cases, the end of the Cold War contributed to the failure of the state. In the era following the struggle between the East and the West, various "freedom fighters" that had operated on behalf of either superpower using a range of means were left at loose ends. At times these means were turned against the state in which they were located or even the superpower itself, as was the case in Afghanistan.[6] Similarly, the breakup of the USSR, which had served as strategic support for a number of states, at times caused economic deterioration, putting the states on

To date the international community has limited experience with failed states, handling the phenomenon in an ad hoc and case-by-case fashion, especially once situations became acute and irreversible.

the path of failure. In other cases, democratization itself – especially when externally imposed – resulted in dictatorships turning into failed states (as in Iraq until 2003), often becoming the most dangerous of failed states (though in Iraq and as elsewhere, the conditions for state failure existed previously).

The failed state is not a new phenomenon in the international arena. By 1998, some 135 states were identified as suffering from some level of failure.[7] In the past, when a state was incapable of providing its citizens with security and basic services as the result of various internal events, the ramifications of the new situation affected mostly the state itself and perhaps its immediate neighbors. Today, globalization, information access, open borders, and easy mobility have resulted in a situation whereby ramifications of state failure in any region of the world are liable to affect states hundreds or even thousands of miles away. Thus, refugees from failed states immigrate to Europe and pose new political, social, and economic challenges, unknown as recently as a decade or two ago. At the same time, terrorist organizations such as al-Qaeda that view failed states as convenient bases of operation present security challenges to many states around the world.

Failed states challenge the stability of the Middle East and beyond because of the ease with which external elements can intervene in internal affairs. What may look like an internal conflict or a struggle between armed groups and government forces may in fact be a struggle between regional forces.

This understanding has been internalized by many countries, first and foremost the post-9/11 United States, and the US and others have started to see failed states as a threat to global security. While the United States already felt freer to act forcefully on the international arena after the collapse of the Soviet Union (e.g., the 1993 failed intervention in Somalia), it was only in the following decade, in light of 9/11 and the Afghani situation, that it started to view failed states as a severe – if not the most severe – threat to its vital interests.[8]

The broadened ramifications of the failed state resemble the globalization of the terrorism threat. Until a decade or two ago, these threats were confronted by various states on their own or at times via bilateral cooperation. Over the past years, terrorist threats have also globalized and require cooperation between nations at the political, intelligence,

and operational levels. Today it appears that no country can deal single-handedly with the problems of terrorism or the ramifications of state failure, not even the United States.

By and large states will seek to intervene in the internal affairs of a failed state in a number of situations: an invitation is issued by the local government or a power group within the state; the intervening nation has been directly hurt or its vital interests have been damaged; the nation has the ability to intervene on the humanitarian and/or military level; and the political climate, both internal and international, is one that favors external intervention. Despite the international community's desire to maintain the status quo, it is sometimes the dismantling of the state that will actually result in the reduction of violence and will help the national definition of some of the citizens, as was the case in the Balkans.

To date the international community has limited experience with failed states, handling the phenomenon in an ad hoc and case-by-case fashion, especially once situations became acute and irreversible. Even then, attempts focused mostly on treating the security symptoms of the state failure,[9] as with the international intervention in the Balkans and Somalia in the 1990s. The success of these operations was limited, though it seems that there was no choice but to try to improve the security situation, first and foremost by an external attempt at state building.

Failed States in Israel's Strategic Environment

Unlike the United States or other Western nations, Israel has neither the ability nor the legitimacy to act against threats in failed states within its strategic environment (for the most part comprising hostile regimes), certainly not in distant states. It cannot attempt to fix them, even if it is either directly or indirectly affected by the ramifications of state failures in its near and far circles. Nonetheless, it can warn of such situations and shed light on alternative responses.

Generally, the Middle East provides a live laboratory for examining the problem, as between seven and eleven of the twenty-two Arab League states may be defined as failed or failing states. The accepted criteria, including demographic pressures, inequitable development, illegitimacy of the central government, human rights abuses, impaired security, and external interventions place states such as Sudan, Iraq, and Yemen in

the critical category (actual failure) and states such as Algeria, Syria, and Lebanon at high risk for failure (table 1).[10]

Although the lack of democracy and political freedom are features characterizing most if not all of the accepted checklists of state failure, they are not the sole reasons for the failure of the state. Rather, in most cases the dictatorial regime compensates for – if not whitewashes – essential structural weaknesses, which magnify the chances for state failure. Even in the rich states in the region the wealth enjoyed (coming primarily from natural resources) hides significant structural weaknesses that are liable to lead to future state failure.

In the circle closest to Israel there are a number of states undergoing a process of failure, or states whose statistics place them in the potential failure category, liable to slide down the slippery slope to actual failure. The most prominent example is Lebanon. Here there is the confluence of a number of basic conditions inviting the collapse of the existing political order, in turn leading to its becoming a failed state. At the root is the Lebanese state's problem of legitimacy. Like most state entities in the Middle East, Lebanon was established through colonial arrangements between France and Great Britain after World War I. As a result, the region was artificially divided into a number of states lacking historical roots, and this division was imposed on the local population. In the case of Lebanon, a number of regions (the mountains, the Beqaa Valley, Beirut, Tripoli, and southern Lebanon) were united as a single political entity under Christian dominance.

Over the years and after the bloody civil war, various arrangements were made for the division of power in the state, but the ethnic foundation remained firmly in place and was even anchored in the political system that continues today. As a result, the loyalty of several groups, especially that of the Shiites, is divided between the community and the state. This situation worsened in the 1980s and 1990s when Hizbollah became one of the dominant power groups in the state, as Hizbollah's primary goal is to change the state's social and political status quo by establishing an Islamic republic under Shiite dominance. On the pretext of defending Lebanon, the organization has constructed a military and security establishment competing with the Lebanese state. Because of the delicate community balance and the fear of sparking a new civil war, the state leaves this power group in place. Given this situation, the potential for

Table 1. Selected States in the Region Ranked by Severity of Failure

State / Ranking	Fund for Peace Failed States Index	Center for Global Policy at George Mason University	Brookings Index of State Weakness
1. Somalia	1	1	1
2. Sudan	3	2	6
3. Afghanistan	7	4	2
4. Iraq	6	13	4
5. Pakistan	10	27	33
6. Yemen	18	28	30
7. Eritrea	36	39	14
8. Algeria	24	24	57
9. Syria	39	82	59
10. Lebanon	29	69	93

internal conflagration is clear. At the same time, this reality in practice allows Hizbollah to control large areas of the Lebanese state, especially in Beirut's southern neighborhoods and in southern Lebanon, the central Beqaa area, and northwards of it, and to act there autocratically.

Despite the fact that the Lebanese situation is acute – with many actors other than the state wielding control of the means of enforcement – it is not materially different from what is happening elsewhere in the Arab sphere, where religious-ethnic identities and fealty to tribal structures are often stronger than loyalty to the nation state. This, in tandem with high rates of poverty, inequality, and the lack of political freedom turns these states into social and political powder kegs where only the power and centralism of the government prevent the eruption of an internal conflict, which could under certain circumstances turn them into failed states. Some states host various elements, particularly fundamentalist Islamic, that view the states as illegitimate political entities and seek to change the prevailing order by means of violence.

In the farther circle, there are several states experiencing ongoing crises. In Iraq, the state is absent from large parts of Iraqi territory. In the Kurdish region, there is a de facto independent state. In the rest of the country, the Sunnis feel deprived by the Shiite majority and are engaged in a political battle and violent struggle with the central government. Fundamentalist terrorists seek to establish an Islamic regime as part of

a new Islamic empire, and powerful external forces are involved in Iraqi affairs. Large parts of the Iraqi public are loyal to extra-state political and social frameworks, and thus far, the historical attempt to construct an Iraqi people has failed.

The cases of Yemen and Sudan are even more extreme. The Yemenite state (which to a large extent is an arena of struggle between regional forces) is trying to tackle simultaneously a violent uprising with ethnic overtones in the north, a separatist struggle in the south, and growing global jihad activity. As the poorest Arab state, it is already posing a string of challenges not only to its neighbors in the Arabian Peninsula and Red Sea region but also – as evidenced by international interest – to the entire free world. The presence of hundreds of thousands of displaced people and refugees from Yemen and elsewhere, inter-tribal and inter-religious violence, rampant crime, maritime piracy, significant demographic changes (headed by uncontrolled urbanization and a disproportionately large number of young people in the population), hunger, and disease – all these are part of Yemen's daily reality.[11] In Sudan, the Arab-Islamic central government has for years been waging a violent struggle against the Christian south as well as African-Muslim tribes in the west. In all three cases – Iraq, Yemen, and Sudan – the result is a weak central government, poverty, internal conflict, and lack of security.

Ramifications of Failed States for Israel

Failed states pose a number of central challenges to the security of Israel and its internal stamina. The first is the terrorist challenge. Failed states present international and regional terrorist organizations with a convenient base of operations, and are more likely than other states to host terrorist organizations on their soil. Terrorist organizations take advantage of the porous borders and the fact that the central government is weak or absent from large parts of the state in order to develop operational and logistical infrastructures. Thus, a failed state becomes the safe harbor for terrorist organizations. In addition, the host state provides a pool of potential activists, as the citizens of a failed state tend to join such organizations at a higher rate than citizens of a non-failing state.[12] Moreover, given that a significant number of terrorist organizations active in the world today have a regional or even global agenda, failed states become the exporters of terrorists. In this context,

Sudan, Yemen, and Iraq have long been transit points for organizations such as al-Qaeda and elements supporting terrorism such as Iran. For example, it has been reported that Yemen in recent years has "exported" global jihadists to the Gaza Strip.[13] In addition, Yemen and Sudan both serve as important way stations in the arms running route from Iran to Hamas in the Gaza Strip.[14] In light of the many terrorist organizations operating on its soil, Israeli security personnel have even defined Sudan as "an important central axis of global terrorism."[15] In areas in Lebanon where the state is imperceptible, Hizbollah and fundamental Islamic terror groups operating in Palestinian refugee camps, such as Fatah al-Islam, are thriving.[16]

Second is the crime challenge. Similar to terrorist organizations, criminal organizations also take advantage of the governments' loose control in failed states to promote their interests. In many cases, such states become large exporters of illegal drugs grown by criminals and terrorists. For example, Afghanistan is the biggest exporter of opium and hashish in the world.[17] Similarly, the Beqaa region in Lebanon serves as a center for the supply of heroin and hashish to the Middle East, and criminal elements such as the Shiite Jaffar clan are linked to regional and international drug networks. Terrorist organizations make use of drugs for their own ends: for Hizbollah, the drug trade is a primary tool for its intelligence sector seeking to recruit Israeli agents. Indeed, a number of spy rings consisting of Israeli Arabs were in fact formed on this basis.[18] The connection between crime and terrorism is also relevant at the other end of the region: Iranian ships smuggling arms to Hamas in the Gaza Strip are a platform for smuggling goods and illegal workers to the Gulf states.[19] In addition, although it does not threaten Israel directly, piracy is common in the shipping lanes where Israeli ships sail. So, for example, in March 2010 a Zim-owned ship was attacked in the Bab el-Mandeb Straits, located between the two failed states of Yemen and Somalia.[20] A further dimension is the financial link between profits from piracy in the Horn of Africa and terrorist organizations. A great deal of money from piracy, amounting to millions of dollars a year, especially in Somalia, finds its way to Islamic charity funds that funnel money to Hamas and Hizbollah.[21]

A third challenge is the threat of non-conventional arms proliferation. Failed states, both near and far, are liable to worsen the threat of non-

conventional arms to Israel, for two primary reasons. First, it is more difficult for crisis states than functional states to secure materials and sensitive information. Thus failed states in Africa are a source for Iran for yellow cake, a powdered form of uranium ore.[22] Similarly, Pakistan – experiencing an ongoing state crisis – might find it hard to contain its nuclear knowledge and material and prevent them from falling into the hands of Islamic extremists operating in its midst. Second, failed states may exacerbate the non-conventional arms threat by being a source for weapons of mass destruction for sub-state entities such as Hizbollah. Organizations such as Hizbollah thrive in failed states and as in Lebanon are liable to develop an operational infrastructure, which could allow them to assimilate and operate weapons of mass destruction, without the checks and balances applicable to sovereign states. These borderless threats challenge a nation's capability to deter attacks against it: if you do not know who is behind an attack, you do not know whom to threaten in response. This situation is especially serious in the context of deterrence against an attack with weapons of mass destruction. In recent months there have been several reports of chemical weapons in Hizbollah hands, providing the most striking example of this scenario.[23]

Fourth is the social challenge. Failed states in Israel's far circle, especially in Africa, are exporters of refugees and migrant workers to Europe and the Middle East. In July 2010, the Minister for Internal Security reported that every month some 1,200 Africans cross the Egyptian border into Israel and that between 1 and 2.5 million other Africans are located in Cairo, waiting for their opportunity to do the same.[24] The presence of this population in Israel has many short and long term implications. In the primary areas where they congregate – Eilat (where they represent some 15 percent of city residents), Arad, and Tel Aviv (where over 50,000 live in the area of the old central bus station) – there has been an increase in crime rates, especially offenses involving drugs, violence, and alcohol.[25] About 10 percent of all murders in Israel in the first half of 2010 occurred among this population.[26] Beyond the criminal issue, the flood of refugees and other illegal aliens presents Israel with economic and social challenges, among them negative impacts on employment opportunities and conditions among unskilled Israeli laborers, which in turn leads to the spread of poverty in Israel and a heavier burden on the welfare system. Because the majority of those hurt by the employment of non-

Israelis have poor job skills and the main beneficiaries are the employers and skilled labor belonging to the stronger economic classes, the employment of non-Israelis also expands the gap in income distribution. At the same time, in certain sectors such as agriculture, the availability of unskilled non-Israeli labor proves to be a disincentive to technological improvements and reduces the need to train skilled manpower.[27] Clearly, the Sudanese and Eritrean refugees are not to blame for all of this, but there is no doubt that their growing presence in Israel contributes significantly to these phenomena.

The final challenge for discussion here regards regional security**.** In the broader context, failed states present a challenge to the stability of the Middle East and beyond because of the ease with which external elements can intervene in internal affairs. What may at first glance look like an internal conflict or an armed struggle between armed groups and government forces, such as in Lebanon or Iraq, may in fact be an arena for a struggle between regional forces. The weakness of the central government and the cultivation of groups competing with the state are an excellent opportunity for various state elements seeking to expand their influence on the region. Lebanon is the most prominent example of this in the circle closest to Israel. For years Lebanon has been the arena for a struggle between different regional and international power groups: Iran, seeking through Hizbollah to expand its influence over Lebanon and in the long term turn it into a Shiite-led Islamic republic; Syria, seeking to impose its control over the country; the United States, seeking to curb the Syrian-Iranian influence and establish a Western-style democracy in Lebanon; Saudi Arabia, seeking to support its Sunni allies there; and finally Israel, conducting a longstanding struggle against Shiite terrorism emanating from Lebanese territory. A similar struggle is taking place in the Gaza Strip, which is also to a large degree exposed to Iran's influence. In the more distant circle, Iraq and Yemen are arenas for similar struggles between the different forces of the United States, Iran, and the Sunni states, led by Saudi Arabia. In practice, failed states are a source of regional instability and at times are also exporters of

> If and when a Palestinian is established, the absence of functional institutions will almost certainly result in another failed state, which would only exacerbate regional instability and present Israel with heightened security challenges.

crises. In the case of Yemen, the regime's inability to impose its authority on Shiite groups caused the fighting to spill over into Saudi territory in late 2009. Similarly, in Lebanon the government's ongoing inability and/or unwillingness to impose its authority on Hizbollah has for years been a source of instability in Israeli-Lebanese relations. This state of affairs peaked in July 2006 and led to the outbreak the Second Lebanon War.

Using the Analytical Framework

The challenges enumerated above comprise part of Israel's current strategic environment. Examining these phenomena through the prism of state failure allows us to see some of the challenges in a different light and examine Israel's interests from a different point of view. In the case of Lebanon, Israel's primary concern – and correctly so – is the disarming of Hizbollah. At the same time, looking at the issue through the failed state prism may actually lead to the conclusion that should the attempt to dismantle the organization's military structure result in undermining Lebanon's internal situation, it may be preferable to leave it in place, as – what is so often the case in the reality of the Middle East – the choice is between bad and worse. Therefore, it may be that Hizbollah's remaining armed is the lesser evil when compared to the collapse of the Lebanese state.

A similar issue is the Israeli discourse about damaging the infrastructures of the Lebanese state if and when another war with Hizbollah breaks out in Lebanon. If the issue is examined through the failed state prism, it may be that Israel's interest is best served by preserving the institutions of Lebanon rather than by weakening the central government and destroying its infrastructures. In a broad historical view, preserving and even strengthening the Lebanese state could, from Israel's perspective, be seen as a win-win situation.

When it comes to the Palestinian Authority and the future establishment of a Palestinian state, many interests guide Israeli policymakers. One of these interests perhaps should be the establishment of a functioning Palestinian state with strong government institutions working on behalf of its citizens' welfare. If and when a Palestinian is established, the absence of functional institutions will almost certainly result in another failed state, which would only exacerbate regional instability and present Israel with heightened security challenges. Indeed, Israel must stress that

appropriate security arrangements with the Palestinians are not merely a gesture to Israel. Rather, the world at large cannot afford another terrorist or failed state in the region. Therefore, it is in the common interest to produce the security arrangements that are essential to ending the conflict. The need to prevent creation of a failed state in the Gaza Strip is also an important concern, though it appears this issue is more complex and requires a separate discussion.

In addition, examining Israel's interests through this prism may underscore that Israel's borders must be sealed as rapidly as possible. It is important to increase efforts to erect an effective barrier along the Egyptian border and even along the border with Jordan, in order to reduce the risks of the negative phenomena surveyed above and to prepare for the emergence of risks to these regimes' stability. Constructing an unbroken barrier along the nation's borders that befits an international border is a legitimate, effective way to curb many of the phenomena resulting from the failure of nearby states. Even if such a barrier did not completely stop the entrance of hostile elements into Israel's sovereign territory, it would serve as a deterrent. The understanding that the flow of refugees is not coincidental but stems from state failure in Israel's far circles may clarify to the leadership that the phenomenon is not about to end and in fact stands to grow in the future.[28]

The perspective of state failure may also give Israeli intelligence a tool for assessing the stability of regimes. Head of IDF Military Intelligence Maj. Gen. Amos Yadlin noted: "Forecasting the stability of regimes and trying to time their collapse...is a highly complex intelligence challenge, demanding both care and humility."[29] Various models for forecasting state failure can help intelligence and bridge the gap between the focus on political and military issues on the one hand, and the need to understand the undercurrents in these societies on the other. Indeed, the need to identify possible threats and follow their developments in a given state caused the Central Intelligence Agency as early as 1994 to construct capabilities that would better allow it to forecast regime stability and state collapse (the State Failure Task Force). Furthermore, social and economic questions such as a nation's openness to foreign trade, the rate of infant mortality, the size of the population, the type of Islam prevalent in the state, ethnic diversity and breakdown, and other factors may serve as excellent indicators helping to forecast state failure or regime stability.[30]

In light of the ramifications of state failure in Israel's far circle, the scope of intelligence's interest should be expanded to include regions that would otherwise be deemed as having limited relevance when examined through a narrower intelligence lens.

It is not impossible that threats against Israel will increasingly be caused by ramifications stemming from the weakness, if not outright dismantlement, of national units in its strategic environment. Israel must already tackle semi-sovereign elements and is finding it difficult to establish deterrence and decision in the classical sense against them. Consequently, it may be necessary to update traditional views of national security, which focus on fighting between sovereign states, to include analyses of and responses to threats coming from ungoverned areas. Despite the vibrant discourse on the topic, very little is known about the conditions for the development of border-crossing security threats and why some states are more identified with them than others, as well as why Muslim states are more associated with the phenomenon than others.

This essay has sought to shine some light on state failure and jumpstart consideration of failed states in the Israeli context. A better understanding of the elements, expressions, and ramifications of these states could at the very least provide a better understanding of the security challenges Israel is facing. An examination of the challenges to the State of Israel by means of the state failure phenomenon will not resolve them, but it has the potential to delineate dilemmas more clearly and offer a new perspective on longstanding trends and developments. This would primarily entail a comparative historical perspective, which looks at long term processes and provides a somewhat different attitude to current problems. It may lead to different conclusions regarding possible responses to these problems than those offered by more conventional analysis.

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The Iranian Nuclear Issue: The US Options

Ephraim Kam

The Attempt at Dialogue

Thus far the Obama administration's policy on the Iranian nuclear issue has been characterized by two approaches. The administration initially attempted to promote President Obama's initiative to develop a direct dialogue with Tehran in an effort to arrive at an agreement about the future of Iran's nuclear program. To that end, the administration was prepared to concede the precondition set by the Bush administration – suspension by Iran of its uranium enrichment program – and also allowed several postponements in starting the dialogue, which played directly into Iran's hands. The administration was not overly optimistic about the initiative, but believed that if Tehran were responsible for its failure, the administration would find it easier to enlist international support for increasing the pressure on Iran.

In practice, the dialogue focused on an agreement of a fairly limited nature, negotiated in the fall of 2009 between the European governments and the IAEA on the one hand and Iran on the other. The core of the agreement was the uranium deal: Iran was to transfer 75 percent of its low enriched uranium to Russia, which would transfer it to a third country; at the end of one year, fuel rods for the small research reactor in Tehran would be delivered to Iran. This deal offered Iran significant advantages: it did not prevent Iran from continuing to enrich uranium – in fact, it legitimized continued uranium enrichment there – thus allowing Iran to make up the amount of uranium it was supposed to remove in less than a year. In addition, approving the deal would have prevented international support for additional sanctions against Iran. However, by means of this

Dr. Ephraim Kam, deputy director and senior research associate at INSS

deal the American administration hoped to buy time and postpone Iran's obtaining the capability to manufacture nuclear weapons; in that interim, it hoped to create an appropriate setting for more extensive negotiations.

Despite the clear advantages, Iran rejected the deal, due to a lack of trust in Western governments – and as such, a rejection of their conditions – and also because of internal disagreements. Iran subsequently accepted some of the conditions as part of an agreement with Turkey and Brazil concluded in 2010. In the meantime, however, circumstances changed, Iran's agreement was partial, and the Western governments rejected the new deal and nearly ignored it altogether.

Exerting Pressure on Iran

Thus began the second stage of the Obama administration's policy, centering on pressures and sanctions. The focus was the June 9, 2010 UN Security Council resolution calling for a fourth round of sanctions against Iran, and the promotion of additional, independent sanctions – not agreed on in the Security Council – that Western countries began to enact. Although the sanctions stipulated in the Security Council resolution are far less severe than the administration wanted, the current round of sanctions, including the independent ones, comprises the most comprehensive and significant measures imposed on Iran. They are designed to limit the activities of Iranian banks and financial institutions, organizations and individuals linked to the Revolutionary Guards, and anyone connected to the nuclear program. They are meant to prohibit Iran from constructing new nuclear facilities or completing existing ones, and to prevent the sale of major conventional weapon systems to Iran. No less important, these steps include more stringent means of enforcement with the establishment of a supervisory committee overseeing implementation of the sanctions and through increased inspections of suspicious cargoes headed for Iran by sea and by air.

The independent sanctions primarily target Iran's energy sector. These include a ban on new investments and sales of equipment to Iranian oil and gas companies, which also impedes the development of new oil and gas fields. They impose new limitations on Iranian financial and insurance companies, thereby forcing ports and shipping companies to curtail their dealings with Iran. Because of limited insurance coverage,

Iranian ships carrying oil and goods to and from Iran will not be able to enter many ports.

Pressures and sanctions represent the core of the Obama administration's policy towards Iran now and for the near future. The policy is meant to demonstrate to Iran that it is paying too steep a price for its conduct in the nuclear field. However, the central question is: does the new round of sanctions have what it takes to motivate Iran to modify its approach on the nuclear issue? On the one hand, Iran finds itself partially isolated against a fairly wide international front, and these sanctions – should they be implemented properly – are capable of causing Iran more distress than preceding measures. On the other hand, it is still not clear to what extent the sanctions will in fact be implemented, and if the governments and commercial establishments involved will cooperate.

Moreover, since the revolution Iran has operated under a steadily growing regime of sanctions and has learned to skirt them, to come up with alternatives to blocked routes, and to minimize the damage caused. Iran already announced that no sanctions would change its nuclear policy and that while the sanctions might slow down the completion of the nuclear program, they would never stop it. Therefore, the Iranian leadership will likely decide to pay the price of the sanctions and complete the construction of its capability to produce nuclear weapons or even produce them in practice. In mid-July, CIA director Leon Panetta assessed that the sanctions would probably not deter Iran from its nuclear ambition. Indeed, most of the political public in Iran supports the regime's approach to the nuclear issue, and even the leaders of the reformist camp have openly expressed their reservations with regard to toughening the sanctions. Hence the concern is that responsibility for sanctions-related hardships would be laid at the door of the Western powers rather than that of the regime, and the sanctions would thus serve to rally the nation around the regime and strengthen it.

The key to the sanctions' effect on Iranian policy lies in two interrelated questions: to what extent will the sanctions be implemented, and how determined will the regime be to cope with them. These are open questions, perhaps even to the regime itself. To date, the regime has shown some signs of concern over the sanctions, and there are indications that the sanctions are having a greater effect than the regime anticipated. Furthermore, the fact that the regime is openly admitting

the possibility that the sanctions might slow down the completion of the nuclear program may be significant, if such a slowdown is considerable. Because it is now under pressure and is interested in curbing this wave of sanctions, Iran has proposed a renewal of the negotiations over the uranium deal with the West: it announced it would comply with uranium enrichment to the 20 percent level if it receives nuclear fuel for the research reactor in Tehran as part of the deal. In the near future, then, the Iranian regime is likely to show some tactical flexibility in its positions, without conceding its basic ambition to possess nuclear weapons.

Even if the pressure, sanctions, and firm position are the primary components of the Obama administration's Iranian policy in the near future, it does not mean that the administration will forego the attempt to return to the negotiations channel. On the contrary, as far as the administration is concerned, the sanctions are meant to bring Iran back to the negotiating table under pressure, thereby making it more likely that Iran will accede to the terms established by the West. Indeed, in late July 2010, the administration responded positively to the Iranian idea that the talks about the uranium deal be renewed. Obama himself suggested that the administration consider steps that could prove that Iran does not seek nuclear weapons after all.

Thus in the coming months the administration's policy will alternate between keeping up the pressure on Iran and perhaps even intensifying it, and attempting to use the pressure to extract concessions from Iran and promote an agreement, likely about the uranium deal, that would satisfy American demands. Sources within the administration linked to the negotiations are not optimistic that a deal on American terms will be approved. However, since Iran is asking for an end to the sanctions and since it already made some concessions in the deal with Turkish and Brazilian leaders, it is not impossible that in the end, Iran will agree to the administration's terms and approve the deal.

Whether or not an agreement is reached, in the coming months the administration will have to assess the effectiveness of pressure. The administration is still unequivocally committed to prevent Iran from obtaining nuclear weapons, despite the fact that so far its policy has not stopped Iran and that most doubt that Iran can be stopped this way. Yet at least in the near future, and certainly before it is clear that the policy of pressure has failed, the administration will likely not renege on this

commitment. The announcement by the Iranian regime a short time after the sanctions were authorized that sanctions might slow down the nuclear program, may be seen by the administration as a partial though important achievement indicating weakness on the Iranians' part.

The problem will come if over time it becomes clear that the policy of pressure is not achieving its goal, i.e., it is difficult to implement the sanctions, the slowdown is insignificant, and above all, Iran is not desisting from seeking nuclear weapons, even if the uranium deal goes through. Reaching such a conclusion may take time, because the effect of the sanctions will not be evident quickly and because the administration will continue to look for other ways of amplifying the pressure on Iran; it will not hurry to admit that its policy has been ineffective. Furthermore, what will the administration define as success and as failure? If, for example, an agreement is reached regarding the uranium deal, the administration may view it as a success, because it is likely to postpone Iran's attainment of nuclear capabilities, despite the fact that it allows Iran to continue enriching uranium on its soil. However because the Iranian nuclear program is progressing steadily, time to examine the sanctions' effectiveness is not open-ended. Technically, Iran will be able to create its first nuclear explosive device within a year or two, subject to a decision to break out towards nuclear weapons. Therefore, even if the sanctions are capable of being effective, their full impact may become clear too late, after Iran has already broken out towards nuclear weapons.

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Alternate Options

If and when the administration reaches the conclusion that pressure has not constituted an effective policy, it will have to weigh alternate modes of response. The administration has not made clear – intentionally, it insists – what its future options are, but sources within the administration claim that alternate methods for dealing with the nuclear issue are under deliberation. These methods are presumably problematic and inauspicious, which may be the reason for the internal memorandum of January 2010, attributed to Secretary of Defense Robert

Gates, complaining that the United States has no effective long range policy for tackling the Iranian nuclear problem.[1] Not clarifying the alternate methods may stem from the administration's desire not to tie its own hands, not to allow Iran to prepare for them, and not to reveal its current policy's weaknesses.

If the policy of pressure is acknowledged a failure, the administration will be left with two primary courses of action: reconsidering the military option or preparing for a scenario of failure to stop Iran.

The military option is problematic, risky, and of questionable success, but it is feasible. In order to pursue this route, the administration will have to examine many dimensions. It will have to make sure that it has the necessary operational capabilities, including reliable, accurate intelligence about the targets. It will have to assess what damage it can expect to cause to the nuclear sites and the length of time that an attack will derail and delay the nuclear program. It will have to take into consideration Iran's response, which will be sure to come – including a response against United States allies, primarily Israel, and a response against American targets in Iraq, the Persian Gulf, and Afghanistan. Iran is threatening that in response to a military strike it will cut off the supply of oil from the Gulf. It is doubtful that it would do so over time, if at all, because the primary victim would be Iran itself. However, even if Iran does not block the flow of oil, a military strike could generate a crisis in the oil market, even if temporary. The administration will also have to consolidate internal and international support for a military move, perhaps even get the backing of the Security Council. And finally, the administration will have to assess the risk-to-benefit ratio of a military strike, and answer the question of where the greater danger lies – in a military operation or in a nuclear Iran.

Against the backdrop of these complex questions, the American administration is engaging in doublespeak. On the one hand, officials claim repeatedly that all options for handling the Iranian nuclear issue are on the table, including the military one. From time to time the administration even leaks some item having to do with preparations for a military action. In April 2010, officials said that the American defense establishment is busy preparing a set of military alternatives that will be presented to the president should diplomacy and sanctions fail to force Iran to change its course.[2] Moreover, in July 2010, Chairman of the Joint

Chiefs of Staff Admiral Michael Mullen stated that a military plan of action had been formulated for possible future use. However, since the middle of 2008, i.e., towards the end of the Bush administration, senior officials in the administration and the defense establishment, including Mullen himself, have also stressed that they do not see a place for a military strike against Iran at present, and that the administration is not giving Israel the green light to undertake such a move. Senior officials note two reasons for their reluctance to take the military route: the uncertainty and risks involved, and the assessment that a military strike would not in fact stop Iran's nuclear program but at most delay it by a few years. Unofficially, administration sources mention other reasons, including the American military's extensive involvement in Iraq and Afghanistan, making opening another front problematic, and the risk that Iran would respond by cutting off the flow of oil from the Gulf and promoting terrorist attacks in the Middle East and the West.

Thus the military option is still last on the American administration's list of alternatives – as it is on Israel's – because of the risks and uncertainty involved. There is no doubt that in the near future, as long as the administration feels there is a chance for diplomacy and the policy of pressure to succeed, it will not undertake a military strike and will have reservations about Israel doing so. The question is: to what extent will it change its position on a military strike once it assesses that the policy of pressure has failed? At present, the chance of the administration doing so is tenuous. At least some of the reasons for the administration's reluctance are not expected to diminish as time passes. However, the possibility exists and may grow over time. As evident from certain reports, it seems that the American defense establishment has recently given the military option more weight than it had in the past.[3] The administration will not be able to ignore the fact that Iran's acquisition of nuclear weapons will be a resounding defeat to one of the central components of US policy, and that this will have severe repercussions regarding US credibility and ability to act, creating far reaching dangers to American strategic interests of the highest order. Moreover, as long as the administration has a political-

Iran's acquisition of nuclear weapons would be a resounding defeat to one of the central components of US policy, and would have severe repercussions regarding US credibility and ability to act.

diplomatic option, it finds it convenient to defer the military option. This situation may change if and when the political option has been thoroughly tried and found wanting.

Therefore, while there are currently major reservations about a military strike, it is not out of the question that the administration will reassess the risk-to-benefit ratio. It may also be that withdrawing most of the American forces from Iraq and later from Afghanistan would make it easier to decide on a military operation in Iran, both because the administration would be able to devote more attention and resources to the arena and because its forces in the greater region would be less vulnerable to an Iranian response. The United States apparently has the capability of carrying out a series of repeated military strikes on nuclear sites that would delay the completion of the nuclear program by quite a few years. Although Iran would likely respond to a military attack against it with terrorism and missile fire – whether executed by Iran itself or through its proxies – its response capability is fairly limited, and it would have to avoid becoming bogged down in an extended military confrontation with the United States. And while at present other governments are opposed to a military strike, the administration has not yet tried to enlist internal and international support for such a move. Should it attempt to do so, a different picture may emerge, and even if the administration chooses not to use the military option it may use the threat of carrying it out as another way of intensifying the pressure on Iran.

Another method of action would be for America to green-light a military strike by Israel. The advantage of such a method, from the point of view of the American administration, is that responsibility for it and its repercussions would fall on Israel. However, the disadvantages outnumber the advantages. Israel has fewer capabilities than the United States to undertake such a strike, and if the administration supports an attack, then it is better done by the United States in order to ensure greater success. Moreover, should Israel undertake a military strike, everyone – especially Iran – will in any case assume that the United States was a partner and supporter, and therefore the Iranian response would target American interests. Even if the Iranian response were to be directed primarily at Israel, the United States might see itself as obligated to assist Israel against Iran, should the need arise. Given these reasons, if

the administration gives positive consideration to the military option, it may prefer that the option be managed by the United States rather than by Israel.

In any case, the timetable for carrying out a military move will also be limited by the status of the Iranian nuclear program. An attack on Iran's nuclear facilities could be effective only as long as Iran does not have nuclear weapons. Therefore, were the American administration to consider a military operation, it would have to derive its timetable from the approximate timetable of the nuclear developments in Iran.

The second alternative the administration is liable to face is accepting that it is incapable of stopping Iran from continuing to enrich uranium, because the sanctions have been ineffective and it balks at the military option. It seems that the administration has not yet reached this point, despite the fact that various experts, primarily from outside the administration, are convinced that in the end there will be no choice but to accept Iran's continuing with its uranium enrichment, and later to accept a nuclear Iran. At this stage, the administration still seems to think Iran can be prevented from obtaining nuclear weapons. However, if the administration does not succeed in blocking the continuation of uranium enrichment in Iran, it might in practice attempt to stop Iran at two later stages.

The first stage is to accept uranium enrichment in Iran but to come to an agreement with Iran about stricter international supervision of its nuclear installations, in order to ensure that it does not produce high enriched uranium (HEU) or construct a nuclear explosive device. In effect, the uranium transfer deal, discussed with Iran in the fall of 2009 and to which the administration is prepared to return under certain conditions, constitutes practical agreement to continued uranium enrichment in Iran. Even President Obama's statement that the administration is prepared to discuss how Iran can prove that it is not striving for nuclear weapons constitutes a willingness-in-principle to agree to Iranian uranium enrichment, once American terms are met. The second stage, should it prove impossible to prevent Iran from producing HEU, is to attempt via agreement to stop Iran at the threshold point, and remain with the capability of producing nuclear weapons without producing them in practice.

Both of these alternatives entail enormous risks. Iran has a long history of concealment and duplicity when it comes to the nuclear question, and it will be impossible to ensure full inspection and supervision of its nuclear program. Even closer supervision cannot prevent uranium enrichment to military grade. Therefore, the administration will likely seek to elicit prior international agreement for imposing harsh sanctions against Iran in case the latter violates its potential agreements with America. The significance of the second alternative, however, is even worse. Indeed, administration sources have made it clear that Iran will not be allowed to construct the capabilities needed to manufacture a nuclear bomb and remain on the threshold, because then it could quickly break out towards nuclear weapons, and it would be impossible to obtain intelligence that would warn of such a breakout in real time.[4] This means that if Iran becomes a threshold state, it will have to be regarded as a nuclear state. Therefore, the administration would presumably accept this option only if it had no choice, i.e., only if it decides not to undertake a military strike, because it assesses that the risks of the military option exceed the risks of the alternatives.

Two other options have been examined by the administration in recent years. The first is to assist in changing Iran's extremist regime. A regime change does not necessarily ensure the end of the nuclear program, because there is general support for it in Iran and all the leaders of the reformist camp were partners in its development when they were in power. Nonetheless, this is still the best option: even if Iran does obtain nuclear weapons, it is far more desirable that they be in the hands of a more moderate regime. However, the administration has no guaranteed way to effect such a change. It has long weighed the possibility of attempting to assist those demanding change in Iran, yet even during the crisis in June 2009 the administration chose not to intervene in internal Iranian matters beyond allocating budgets for propaganda and perhaps providing some monetary assistance to opposition elements. The administration's considerations were correct: if and when there are internal changes in Iran, these will result from internal processes rather than from external intervention. In the meantime, clear support for the opposition might harm it and present it as collaborating with external enemies. In any case, it is clear that the effort to change the regime in

Iran cannot be relied on by the American administration, because regime change can take a long time and it is in fact never a sure thing.

The second option is to try to disrupt the Iranian nuclear program by sabotaging equipment and technology and perhaps even personnel. For years, the administration attempted to disrupt the Iranian nuclear program by efforts to disrupt and prevent transactions involving the transfer of equipment and technology suspected of being linked to the nuclear program, especially through pressure on governments and companies. Quite often this proved successful, and there is no doubt that these efforts were a chief reason for the nuclear program being drawn out for so long. From time to time, there were reports of sabotage to equipment that was designated for the Iranian nuclear program, both in Iran and elsewhere, and these acts of sabotage were largely attributed to the American and/or Israeli intelligence communities. It is clear that over the years the Iranian nuclear program has encountered many technical glitches that have delayed it; however, it is unclear which stemmed from difficulties in operating the systems and which stemmed from some external factor. Although to this day the American and Israeli intelligence communities report on such glitches, it is doubtful that they can serve as the basis for a policy designed to stop Iran, especially since once Iran has control of nuclear technologies, sabotage cannot stop it in the long run.

Methods of Action against a Nuclear Iran

The American administration has so far not related to preparing for a scenario in which Iran has nuclear weapons. The reason for this is clear: it is important for the administration to stress its determination to stop Iran before it becomes nuclear, and it is therefore unwilling to admit that it might give up and accept a nuclear Iran. However, one may assume that the administration is quietly examining and preparing responses for a scenario in which Iran has nuclear weapons, or will do so in the near future, because it cannot neglect them until the last minute or the day after. These responses would be designed to avoid or at least reduce the risks stemming from Iran's acquisition of nuclear weapons. Because the administration has not given out any information on such methods, it is possible to consider them only at the most general level.

The chief danger is that Iran will threaten to use nuclear weapons against Israel. In such a scenario, Israel would find itself in a different

situation than any of America's allies, because it would be the only nation required to take into account a nuclear attack by Iran, no matter the degree of such a risk. Because of the longstanding commitment to the existence and security of Israel, the American administration would have to take steps to prevent the danger of an Iranian nuclear attack against Israel. Such a commitment has an added element: if the administration continues to show reservations about an Israeli military strike against Iran, it would not be able to leave Israel without some sort of appropriate response to the nuclear threat. The administration would therefore have to contribute its part in constructing a response, not least as an important way of persuading Israel not to engage in an independent military operation.

Above all the United States would have to help strengthen Israel's deterrence against the possibility of an Iranian nuclear strike, which can occur in two principal ways. One is through supplies of military materiel, technology, and equipment to strengthen Israel's defensive capabilities – including defense against missiles and deterrence – and its ability to respond to the possibility of an Iranian nuclear attack. Such aid would be designed to convince Iran that attacking Israel would fail and that the Israeli response would have a seriously destructive impact. The other would be through clearly defining the administration's commitment to back Israel against the possibility of an Iranian nuclear attack, e.g., through an administration announcement that Israel was under its nuclear umbrella, positioning additional American units in Israel, or signing a defense treaty with Israel, should Israel be interested. In any case, the timing of the American steps is significant, because engaging in them too early might be interpreted as accepting a nuclear Iran.

Beyond this, the administration would have to take other steps to curb Iran's growing regional influence. For example, there is little doubt that should Iran acquire nuclear weapons, the administration would try to impose harsher sanctions in order to weaken it and reduce its ability to act. This was done in 1998 to India and Pakistan, albeit for a limited time, after they tested their nuclear weapons. Nonetheless, these sanctions would likely play primarily a punitive role, and will not be capable of turning back the clock.

A nuclear Iran is liable to take a more aggressive policy on a variety of issues towards its neighbors and Israel, in Iraq and the Gulf, and perhaps

even in terms of oil prices. The administration would have to consider how to handle a radical and aggressive Iran in terms of its own foreign policy. In addition, the administration would likely take additional steps to strengthen the security of the Gulf states in order to deflect Iranian pressures on them and to enhance the credibility of the United States, which would, as a matter of course, be damaged should it fail to stop Iran from becoming nuclear. The administration has already taken steps in this direction by stationing defensive anti-missile systems in the Gulf. At the same time, the administration would have to make sure that Iran's influence on Iraq would not grow even stronger once America withdraws its troops.

The danger than Iran would deliver nuclear weapons to terrorist organizations, in particular Hizbollah, is not high. However, the administration is concerned about such a scenario and would have to consider the possibility that Hizbollah too would be more aggressive once Iran has nuclear weapons.

One of the main concerns of the administration is that additional states in the region would try to join the nuclear club once Iran has the bomb. Likely candidates are Egypt, Saudi Arabia, Syria, Turkey, and in the longer term also Iraq. The US has a great deal of influence on most of these states, and it would have to apply it to curb a process that would destabilize the Middle East and the non-proliferation regime even further.

Conclusion

In the short term, the Security Council resolution to impose a fourth round of sanctions against Iran places the American administration in a more convenient position to tackle the Iranian nuclear problem. The resolution imposes sanctions of a relatively broad scope, creates the basis for the imposition of complementary sanctions by Western governments, places Iran in an uncomfortable position, and creates the opportunity for slowing down the Iranian nuclear program. It also allows the Obama administration to present a cohesive policy for the immediate future, whose mainstay is the application of pressure and imposition of sanctions on Iran, with the support of a broad international front, but which also does not rule out dialogue with Iran on terms acceptable to the administration. Such a dialogue, if it develops, is likely to focus on the uranium transfer.

However, this policy may be limited to the short term. Later, probably during 2011, the administration will have to reexamine the effectiveness of its policy. The administration does not expect to see a full suspension of uranium enrichment in Iran and it will view a significant slowdown of the program as success. However, even if a real slowdown is not achieved and Iran continues going down the path to nuclear weapons and it becomes clear that time is running out, the administration will have to choose between two undesirable and highly problematic options: to reconsider the military option or to accept ongoing uranium enrichment in Iran, and later to accept Iran as a threshold state or even as a state possessing nuclear weapons.

In any case, any plan of action will have to take into account the timetable of the Iranian nuclear program. Technically, Iran will be able to construct its first nuclear device within a year or two. As Iran is progressing steadily on its road to nuclear capability, both the idea of getting the most out of the sanctions and the alternative of a military move will necessarily be affected by the estimated date by which Iran will have the capability to break out towards nuclear weapons.

Notes

1 "Gates Says U.S. Lacks Policy to Curb Iran's Nuclear Drive," *New York Times*, April 17, 2010.

2 Ibid.

3 Ephraim Kam, "Is the Military Option Back on the Table?" *INSS Insight* No. 197, August 9, 2010, http://www.inss.org.il/publications.php?cat=21&incat=&read=4291.

4 *New York Times*, April 17, 2010.

The EU's Nonproliferation Strategy: Iran as a Test Case

Elisa Oezbek

Introduction

An Iranian nuclear capability would pose a grave threat to the international community, invariably lead to a structural change in regional as well as international power relations, and undermine the international community's efforts to halt nuclear proliferation in the Middle East.

Notwithstanding the years of negotiations and four rounds of UN Security Council sanctions, vital questions about the scope and purpose of the Iranian nuclear program remain unanswered. Is Iran aiming to become a nuclear weapons state, is it aiming to become a virtual nuclear power,[1] or is it merely producing nuclear energy for peaceful purposes? Whereas the former option is forbidden and the latter is permitted under the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), the second option lies in a grey zone. As such, Iran's insistence on the legality of its program[2] combined with the continuing strategic incoherence of the EU-3+3[3] has benefited the Iranian government, and over time the EU-3+3 have de facto conceded Iran's right to enrich uranium on its own soil. Through its acceptance of the Turkish-Brazilian initiative of May 2010, which was seen by most European states as a confidence building measure, Iran has further distracted the international community from the central issue: its ongoing uranium enrichment and its non-compliance with its obligations and commitments under the NPT. Iran has also ignored UN Security Council resolutions and has let slide every jointly negotiated deadline on proposals by the international community. At the same time,

Elisa Oezbek, as a Mercator Fellow on International Affairs, has worked for the United Nations Office of Disarmament Affairs, the German Federal Foreign Office, and the North Atlantic Treaty Alliance.

serious concerns about the military dimension of the Iranian nuclear program were raised in the latest IAEA reports, further supporting the longstanding suspicions among much of the international community. The severity of these developments reinforces the unpleasant message that time to halt Iran's nuclear program is running out.

The looming pessimism in regard to Iranian proliferation has not yet overtaken the optimism within the international disarmament community. When President Obama presented his vision of a world without nuclear weapons and expressed his administration's willingness to strengthen the international nuclear regime with the NPT at its core, Europeans in particular expressed high hopes of reaching an international consensus on nonproliferation issues and reshaping the NPT. The final outcome of the NPT Review Conference in May 2010 was thus widely hailed as a success, even though the conference failed to address serious proliferation concerns, particularly the Iranian nuclear program.

The severity of the current challenges demands that states examine the conceptual foundations of their approaches to nuclear nonproliferation and disarmament. This article assesses the European approach to nonproliferation, focusing on European nonproliferation strategy within an international and regional context.

The EU Strategy

Since EU membership comprises nuclear weapons states (NWS) and non-nuclear weapons states (NNWS), NATO members and non-NATO members alike, the EU has been challenged to find a balanced and realistic approach towards the delicate issues of nonproliferation and disarmament at a difficult time marked by disagreement over Iraq. Interestingly, the EU put proliferation of nuclear weapons on top of the list of key security threats faced by its members, and in addition to other perils listed in the "European Security Strategy," adopted a separate document, "EU Strategy against Proliferation of Weapons of Mass Destruction" (2003).[4] Furthermore, the European Council adopted a nonproliferation clause, including trade and other economic measures, to be implemented in all agreements with third parties. To ensure the strategy's effective implementation and to underscore the priority given to WMD nonproliferation, numerous common positions, regulations,

joint actions, council decisions, and action plans, including the "New Lines for Action" (2008),[5] were adopted.

The "EU Strategy" presents three main principles: effective multilateralism; promotion of a stable international and regional environment; and cooperation with partners. Conceptually the strategy assumes an interdependent relationship between disarmament and nonproliferation, implying that proliferation is inevitable as long as the nuclear weapons states maintain their nuclear arsenals, even in reduced numbers, and proscribing their acquisition by any other state. The EU's overall commitment to the multilateral treaty system, with the NPT[6] at the center of the nuclear order, is stressed. For its part, the NPT rests on three equal, interlocking, and mutually reinforcing pillars based on the commitments of the five official NWS[7] to reduce and ultimately eliminate all their nuclear weapons while the non-nuclear weapon states abstain from pursuing nuclear weapons/explosives. As a bridge between the haves and have-nots, NWS and NNWS agreed on the "inalienable right of all the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes....All State Parties to the Treaty agree to full exchanges of equipment, materials and scientific and technological information for peaceful uses of nuclear energy."[8]

Measures Taken

Overall, the European approach has led to an alignment of EU policies and increased cooperation among member states in fields related to WMD proliferation. It further boosted the European stance vis-à-vis the United States, showing that Europeans, when agreeing on a higher objective such as nonproliferation of WMD, are able to coordinate and cooperate on the international level. In particular, the dedicated engagement of the High Representative for the Common Foreign and Security Policy, Javier Solana, was critical to maintaining open channels of communications during the negotiations with Iran, even though the climate during the EU-3 negotiations was marked by severe ups and downs until they stalled following the June 2008 offer to Iran.[9] With the election of President Obama and the resulting change in US policy towards Iran, the EU believed that playing "the US-Obama trump card" would lead to the desired political breakthrough in negotiations with Tehran.[10] However, diplomatic solutions offered to Iran failed to secure progress.

Over the years the Iranian government appeared unmoved by the economic and political benefits of cooperation with the EU-3+3, which could have included a relaxation of existing sanctions on private and governmental Iranian organizations as well as on selected individuals, with the broad intention of slowing missile and nuclear proliferation. In 2007, the EU adopted Common Position 2007/140, which implemented UN Security Council Resolution 1737 in the European states and banned all travel by certain specific individuals within the EU. Common Position 2007/246 amended 2007/140 and incorporated stronger sanctions by banning trade with Iran in all nuclear- and missile-relevant commodities contained in the control lists of the Nuclear Suppliers Group and the Missile Technology Control Regime. It also restricted the provision of training and financing activities to support Iran's development of uranium enrichment and plutonium separation capabilities. Moreover, the EU froze the assets of corporate and governmental entities and individuals directly associated with Iran's sensitive nuclear activities and missile development programs, preventing EU members from making transfers of conventional weapons and military equipment to Iran, and banning member states from establishing new commitments for grants, financial assistance, or concessional loans to Tehran.

In 2008, the EU Council embraced further measures by adopting Common Position 2008/479, which identified additional persons and entities subject to travel restrictions and asset freezes. In August 2008 the EU adopted Common Position 2008/652, requesting that all member states exercise restraint when entering into new commitments to provide official financial support for trade with Iran, as well as continued vigilance over the activities of financial institutions with Iranian banks. It urged member states to inspect the cargoes to and from Iran of both aircraft and vessels at ports or airfields within their territories. Another restriction by the EU was visa bans on a number of senior Iranian officials and other individuals associated with the nuclear program. Similar to the case of UNSCR 1737, in June 2010 the European members of the Security Council suported Resolution 1929, which was followed by a European Council declaration initiating more punitive sanctions on trade with Iran, financial restrictions, and investment in the Iranian gas and oil industries.

However, when assessing the effectiveness of the European policies in regard to nonproliferation, it is clear that the EU's public front masks

internal disagreement and double standards that call for closer scrutiny in the political and economic sphere.

First, within the EU, member states have demonstrated that when it comes to Iran, individual interests dominate collective concerns. The Eastern and Central European countries have negligible economic relations with Iran and are generally skeptical about the efficacy of sanctions against autocratic regimes. Furthermore, in general, European states do not regard the Iranian nuclear program as a matter of "life or death" in the way that Israel does. Whereas Israel derives this threat directly from the Iranian president's provocative rhetoric attacking Israel's right to exist in combination with his public support for historians who deny the Holocaust, the prospect of a nuclear Iran is a distant threat for most European states. For instance, Polish and Czech policy toward the location of a missile defense shield indicates that Central and Eastern European states perceive a greater threat from existing Russian nuclear weapons than from the Iranian nuclear program.

Within Western Europe, however, the picture is more diverse when it comes to policy vis-à-vis Iran. In February 2009, Greece, Cyprus, Spain, Malta, Austria, and Sweden opposed a list of stricter sanctions proposed by the EU-3. Cyprus, Malta, and Greece oppose expanding the scope of UN sanctions against Iranian shipping lines, as their revenues from port services might be affected. Austria, Belgium, and Sweden are strong supporters of multilateralism and dialogue, generally resisting confrontational policies and punitive measures unless they emanate from the UN. Austria, for example, publicly opposed harsher EU sanctions against Iran in 2007 because of its wish to remain neutral on the nuclear issue. Sweden has even criticized the latest round of UN sanctions against Iran, pointing in part to their negative impact on the Iranian population. Furthermore, Sweden, a vigorous supporter of disarmament policies, argued that the nuclear weapons states would need to pursue disarmament if they sincerely wanted to halt proliferation.

Denmark, Spain, Italy, and Austria are less enthusiastic about additional sanctions that target the Iranian gas and energy sector because of their national energy companies' reliance on Iran and long term interests in the Iranian market. Moreover, Germany, Austria, and Italy have very lucrative trade deals with Iran, making them a powerful lobby against sanctions. For example, business ties between Iranian companies

and German companies, especially small and medium-sized, have been good, with exports from Germany amounting to around $4.5 billion in 2009. Imports to Germany from Iran, on the other hand, only amounted to $600 million. Yet despite the comparatively low total value of exports to Germany, the German market remains the second most important market for Iranian goods after China.

Until early 2010, the EU was Iran's major trading partner, accounting for almost a third of its exports.[11] Iran, however, ranks twenty-fifth among the EU's trading partners, accounting for 0.9 percent of all European imports and exports; in the energy sector Iran is sixth.[12] In the first two quarters of 2009, there was a slight decline in the EU's trade with Iran, which can be attributed mainly to the global economic crisis.[13] Furthermore, harsh sanctions are not a popular policy choice when European economies are suffering through the global financial crisis, especially if the sanctions' efficacy is broadly questioned or if the burden is distributed unequally among states. Thus, some European companies have found ways to work around trade restrictions by relying on front companies in third countries or diverting their trade to new firms that are not yet subject to restrictions. An additional counterproductive factor is the fear of many Europeans that the vacuum created by stricter sanctions, especially when targeting the Iranian energy and gas sector, may be filled by Chinese companies. Already Chinese firms have signed multi-billion dollar agreements with Iran to develop oil and gas fields that were previously linked primarily to American and European companies.

Of the remaining EU States, France, Great Britain, and the Netherlands have pushed for sanctions against the Iranian regime since mid 2009. British-Iranian relations, strained since the 1950s, have suffered, especially following Iran's aggressive rhetoric towards the UK. Britain has unilaterally adopted even further measures, such as freezing approximately $1.59 billion of Iranian assets. France-Iran relations were severely damaged in the 1970s and worsened due to France-Iraq relations in the 1980s and 1990s. However, France's main objective in the Iranian nonproliferation case is political. Initially the issue facilitated France's self-perception as an important power on the international stage, especially after the fallout with the Bush administration over the Iraq invasion. It also gave President Sarkozy an opportunity to be seen domestically as a leader on par with Presidents Obama and Medvedev.

Second, as a leading exporter of nuclear energy and technology, France maintains an economic interest in ensuring that the Iranian case does not negatively affect its exports in this field, especially in the Middle East.

An additional consideration important to the EU is that punitive measures may be regarded externally as deflecting from the EU's soft power approach and as such, a contradiction to its image. Thus even though the EU members appear to be more determined than ever to increase the pressure on Iran, hardliners such as President Sarkozy are quickly balanced by others, for example, Foreign Minister Jean Asselborn of Luxembourg[14] or his Swedish colleague Carl Bildt.[15] Europeans, believing in the power of international law rather than the international law of power, are not inclined to question the right of Iran, as a member of the NPT, to use nuclear energy for peaceful purposes per se. Unlike Israel, the EU is primarily concerned about the non-compliance of Iran with its commitments and obligations as a NPT member, namely the regime's poor cooperation with the IAEA, especially in regard to its reluctance to ratify the Additional Protocol. The international community wants Tehran to explain its activities and treaty violations and credibly guarantee that its nuclear activities are for peaceful purposes and not intended for acquisition of a nuclear weapons capability.

Furthermore, most European states believe in the concept of equality when it comes to nuclear questions, whereby all states are perceived to be equal in the face of nuclear proliferation and all must be held to the same standard. European public discussions about nuclear weapons have therefore increasingly raised the question of why Israel, not a member of the NPT, is presumed and allowed to have a nuclear capability that is not under any IAEA safeguard agreement. In sum, Europeans think that the best way for the international community to ensure that Iran remains a non-nuclear weapons state in the long term is to promote region-wide – to include Israel – nonproliferation and disarmament, in tandem with establishing a nuclear weapons-free zone in the Middle East. This position was reiterated at the NPT Conference in May 2010, when 189 states adopted the Final Outcome document that includes an Action Plan on the Middle East, which calls for Israel's accession to the Treaty and the placement of its nuclear facilities under comprehensive IAEA safeguards.

On an international level, Iran has twisted the short term cost-effectiveness balance to its favor by playing for time. The sanctions imposed by the UNSC, the US, and the EU are unlikely to change Iranian nuclear policy if there is no clear and credible strategy laid out for consequential escalatory steps or if sanctions are circumvented. UNSC Resolution 1887, passed on September 17, 2009, led to mounting criticism from the non-aligned states (NAM), which complained about the focus on nonproliferation without an equal balance with NPT stipulations in the field of disarmament and peaceful use of nuclear energy.[16] Hence NAM, especially Brazil, Cuba, Egypt, Iran, and Syria, have defended the right of NPT states to develop peaceful nuclear energy without accepting the Additional Protocol as the legally binding verification standard under the NPT or as a condition for new supply arrangements.[17] Others have also joined Iran in blocking attempts to limit national fuel cycle options; for instance, Brazil expressed its concerns that Iran is a precedent for how disagreements on nuclear energy are handed over from the IAEA to the Security Council sanctions regimes. These tensions are exacerbated by the demand, expressed by Egypt in particular, that discussions on tightening the nonproliferation regime are contingent upon progress with respect to the Middle East resolution of 1995 and the goal of creating a nuclear weapons-free zone in the Middle East.[18] Israel, however, remains reluctant to discuss its nuclear status or any disarmament measures. Consequently, Tehran has found many willing partners who are variously motivated to impede efforts to make it more difficult to acquire near-weapons capabilities without breaking the rules.[19]

EU Policy Recommendations

For the EU as a global actor that strongly supports international law and wants to be taken seriously in matters of security policy, the prospect of a nuclear Iran undermining the NPT regime is unacceptable and should therefore weigh heavier in the minds of decision makers than any of the considerations discussed above. The language and the legal framework so paramount for European self-perception, whereby the EU wields instruments of soft power, have now been provided by the UN Security Council, implying that the EU no longer has a valid excuse not to act strategically. Indeed, with the Lisbon Treaty that entered into force on December 1, 2009, the EU now has the opportunity to overcome its "long-

standing reputation for being an organization" of "much talk but little action" in addressing security challenges and threats.[20] Furthermore, the responsibility of the EU to lead by example has never been greater, especially given its interest in a stable Middle East, its high moral standards, and its repeated commitment to a non-nuclear Iran.

Particularly in light of the failures of the negotiations with Iran over the past years and the weaknesses of the current strategy, the estimated costs for the EU as a global actor if Iran achieves nuclear weapons capability would be severe. The most visible lapse by the High Representative and the EU-3 initiative has been the lack of consistent negotiating positions. Whereas Solana treated the Iranian negotiations as the primary foreign policy issue on his agenda, most European states were not actively engaged. Unlike the West, Iran always had a long term agenda, using procedural issues to avoid short term solutions. While international experts have already estimated that Iran could build nuclear weapons in late 2010 or 2011 if its enrichment program continues at the current pace, the actions of the EU signaled that sufficient time remained to stop Iran. By now, the irony is that Iran does not have enough uranium for a civil nuclear energy program that would be – if Iran complied with its obligations under the NPT and abided by the UNSCRs – accepted by the international community, but it will soon have sufficient uranium for an unacceptable weapons program. A nuclear Iran may lead to a nuclear domino effect in the Greater Middle East. Egypt, Turkey, and Saudi Arabia are regarded as likely nuclear aspirants should Iran obtain a nuclear weapons capability. If there are Iranian and Israeli bombs, there may soon be an Arab and a Turkish bomb as well. A nuclear Middle East is a serious threat to the stability and security of the international community because of a risk of nuclear terrorism and the even higher risk of a nuclear escalation. Israel has already stated that it will never accept an Iran with a nuclear capability. The NPT and the UN Security Council would then have failed in all their efforts to prevent nuclear proliferation, leading to a nuclearized Middle East instead of to a nuclear weapons-free zone. Hence Europe's commitment to fight WMDs by means of effective multilateralism, namely by strengthening international instruments, can only be upheld if the international instruments at its disposal are effective tools to address proliferation concerns.

Despite the theoretical "grand bargain" of 1968 and the indefinite extension of the NPT in 1995, the NPT suffers from many shortcomings in the realms of universality, verification, sanctions mechanisms, and withdrawal clauses. Addressing these shortcomings that have fed the loss of faith in the regime,[21] experts were optimistic that the NPT Review Conference in May 2010 was a key opportunity. However, the Action Plan on Non-Proliferation within the NPT Final Document reaffirmed rather than strengthened the current nonproliferation regime. Other recent policy measures undertaken in the realm of nonproliferation and disarmament – such as the revival of the Conference on Disarmament, the re-emphasis of the thirteen steps towards nuclear disarmament,[22] the massive Global Zero Initiative, and the upcoming Nuclear Security Summit – were mainly targeted at reviving the momentum for nuclear disarmament and nonproliferation in general, not for considering Iran in particular. The Iranian case, however, embodies the central challenges the international nuclear order is facing, namely, the spread of advanced technology, the need for nuclear energy, and geopolitical multi-polarity. Addressing these concerns of principle is important, yet the overall strength of the NPT regime is determined not by its principles but by its outcome in all three fields – disarmament, non-proliferation, and the peaceful uses of nuclear energy. Unfortunately, in its current state the treaty is not well suited to prevent proliferators from attaining nuclear threshold capability. Proliferators such as North Korea and Iran flout international conventions, and that might be sufficient to destroy the entire nuclear nonproliferation regime.

Furthermore, the European approach to fight the spread of WMD by pursuing a comprehensive nuclear disarmament and nonproliferation agenda might help to prevent countries from pursuing nuclear weapons in the first place, but it cannot arrest proliferation when it is already on track. Looking at the Iranian case, there is no credible proof that the recently negotiated follow-up START treaty between the United States and Russia would have any effect on Iranian nuclear policy. Proliferators may be contained through export controls and attacked through political, economic, and other pressures, but certainly not stopped through the disarmament of others when these countries still maintain a credible nuclear deterrent, assigning high value to their nuclear arsenals in their security doctrines and possessing thousands of nuclear warheads.

Thus, the EU as an economic power must credibly raise the costs for proliferating states. Such a policy requires that the EU impose harsh sanctions on Iran as soon as possible and as comprehensively as necessary because of Iran's refusal to comply with IAEA and UN demands. At the same time, the EU should find ways to cooperate with Iran through mediators that maintain interdependent relations with Iran in order to pave the way to break the stalemate. However, using mediators is only a second best option since such an approach always implies a loss of negotiating influence. Indeed, the EU has laid out its conditions for constructive negotiations on many occasions. For example, the Turkish and Brazilian deal negotiated with Iran in May has not led to a mediating effect but rather to a diversion of opinions and to a time delay benefiting the Iranian regime. A sound strategy, therefore, would include offers to cooperate with Iran if it provides credible guarantees for the peaceful nature of its nuclear program. But if Iran is unwilling to provide these guarantees, the international community must act in order to uphold international pressure. Furthermore, the EU should take the lead to actively support the efforts of multilateral bodies like the Financial Action Task Force to prevent the Iranian government from financing its nuclear program through illicit activities.[23]

More informal sanctions could also include issuing warnings of harsh consequences to the private sector by drawing attention to the risks of doing business with Iranian entities engaged in illicit conduct, denying Iran access to key technologies, developing a more systematic approach to deal with Tehran's efforts to transfer technology and arms to radical allies in the Middle East, and managing to severely restrict the Iranian banking sector from accessing the European financial sector.[24] In addition to the nonproliferation treaty clause adopted by the EU and the NSG guidelines, the EU should also define comprehensive standards and guidelines by laying out what is acceptable for the Union under the inalienable right of all NPT parties to carry out peaceful nuclear activities. Such standards and guidelines that prevent room for political interpretations on the side of the EU could serve as credible assurances for the EU, as an early warning mechanism, and as the trigger that sets in motion other, more effective responses by the EU if and when the need arises. Benign interpretations by EU countries – such as emerged in the Iranian case – could be avoided if measured against stringent standards

and guidelines; the pattern of the Iranian regime repeatedly breaking rules and contributing to the international community's credibility deficit could be avoided. Moreover, a comprehensive and standardized approach would help prevent future debates, especially among member states of the EU. Finally, a comprehensive and credible strategy would entail that the EU, in cooperation with the United States, also focus on a range of political-military strategies in the region that increase pressure on Iran. Such measures could include bolstering missile defense, building alliances with Arab states, and creating structures to reduce the risk of a nuclear domino in the Middle East.[25]

Conclusion

Neither waiting longer to decide on action nor silently accepting Iran's nuclear policy is the kind of effective multilateralism the EU envisioned when formulating the EU's WMD strategy. If tough decisions such as unilateral sanctions were taken only when their consequences were certain, they would not be taken at all; and uncertainty is no excuse for paralysis or for weak, watered-down action.

The European Union is regarded as a promoter of peace and stability in its own and neighboring spheres, employing economic and political means. However, whether it is willing and able to take on this role in the realm of nuclear policy remains an open question. The implementation of the WMD Strategy and the New Lines of Action were certainly important steps to coordinate EU policy, but the challenge for the EU lies with making tougher and more credible threats, so as to isolate countries of concern politically and economically if they do not cooperate in clarifying suspicious behavior with respect to the WMD question.[26]

Therefore, only an approach incorporating a smart mixture of sticks and carrots comprising economic and political measures will enable the EU to become a successful player within the realm of nuclear policy in the long term. In practical terms, this means that the EU must be prepared to apply sanctions and introduce political measures in order to convince the countries in question that the potential costs of moving ahead with suspicious activities will outweigh the expected benefits. With respect to Iran specifically, the EU would have to show its commitment to fight the country's proliferation attempts by imposing sanctions as comprehensively as necessary and as fast as possible, realigning

regional political strategies with the US, pressuring for a tightening of international instruments, and credibly emphasizing its support for all steps necessary to prevent Iran from obtaining the nuclear capability.

The EU should measure its principles of effective multilateralism, promotion of a stable international and regional environment, and cooperation with partners by their outcome – in the field of disarmament, nonproliferation, and peaceful uses of nuclear energy.

Notes

1 Virtual nuclear power refers to states that theoretically possess a nuclear capability.

2 Until recently, there was no official evidence of a nuclear weapons program pursued after 2003. The IAEA February 18, 2010 report raises severe concerns about the extent of the military dimension of Iran's nuclear program, suggesting that Iran has conducted and is conducting undisclosed activities related to the development of a nuclear payload for a missile.

3 For the purpose of this article, the P5+1 is referred to as EU-3+3 with the UK, France, and Germany labeled as the EU-3 and the US, Russia, and China as +3. France, Germany, and the UK commenced negotiations with Iran in 2003, and China, Russia and the US joined in 2006.

4 The complete text of the "EU Strategy" can be accessed at http://www.consilium.europa.eu/showPage.aspx?id=392&lang=EN.

5 In December 2008, five years after the adoption of the "EU Strategy," the Council adopted the "New Lines for Action by the European Union in combating the proliferation of weapons of mass destruction and their delivery systems." The "New Lines for Action" are designed to increase the effectiveness of the EU's approach to nonproliferation and make it more operational by achieving greater coordination within the EU.

6 The NPT came into force in 1968 and today has 189 member states. India, Pakistan, and Israel are not parties to the treaty. North Korea withdrew unilaterally in 2003.

7 The NPT recognizes five nuclear weapon states, which are also the five permanent members of the Security Council: the United States, Russia, the United Kingdom, France, and China.

8 Non-Proliferation Treaty, Article IV, accessible at UN Office for Disarmament Affairs, http://www.un.org/disarmament/WMD/Nuclear/NPT.shtml.

9 For further information on the June 2008 offer, see http://www.iaea.org/Publications/Documents/Infcircs/2008/infcirc730.pdf.

10 The EU-3+3 statement of September 23, 2009 states that France, Germany, the United Kingdom, Russia, and China warmly welcome the new US policy approach toward Iran.

11 According to an article published in *Financial Times*, China has overtaken the EU as Iran's top trade partner with $29 billion in direct trade.

12 For detailed information on the EU's bilateral trade with Iran, see European Commission – Bilateral Trade Relations, Country Profile Iran "More Statistics," http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/countries/iran/.

13 Roni Sofer, "Document Reveals Scope of EU Trade with Iran," *Ynet*, January 28, 2010, http://www.ynetnews.com/articles/0,7340,L-3840782,00.html.

14 Global Security Newswire, "Iran Identifies Possible Enrichment Sites," February 22, 2010, http://www.globalsecuritynewswire.org/siteservices/print_friendly.php?ID=nw_20100222_1816.

15 Ibid.

16 Oliver Thraenert, "The Crisis of the NPT: Ahead of the 2010 Review Conference," CSS Analyses in Oliver Security Policy, No. 65, December 2009.

17 Ibid.

18 The resolution was part of the decision of the state parties to the NPT in 1995 to extend the NPT indefinitely. The resolution "endorses the aims and objectives of the Middle East peace process and recognizes that efforts in this regard, as well as other efforts, contribute to inter alia, a Middle East zone free of nuclear weapons as well as other weapons of mass destruction." The resolution can be accessed through http://www.reachingcriticalwill.org/legal/npt/1995dec.html#4.

19 George Perkovich, "Dealing with Iran – the Power of Legitimacy," *Policy Outlook* No.50, Carnegie Endowment for International Peace, October 2009.

20 P. Dunay and Z. Lachowski, "Euro-Atlantic Organizations and Relationships," in "Armaments, Disarmament and International Security," *SIPRI Yearbook 2004* (Oxford: Oxford University Press, 2004), p. 44.

21 The 2005 NPT Review Conference is considered the biggest failure in the treaty's history, with disagreement among the parties across all frontlines. Discussions were focused on procedural issues, whereas only four days out of four weeks were devoted to substantive issues. See Harald Mueller, "The 2005 NPT Review Conference: Reasons and Consequences of Failure and Options for Repair," Weapons of Mass Destruction Commission, 2005:1.

22 See Sharon Squassoni, "Grading Progress on 13 Steps Toward Disarmament," Carnegie Endowment for International Peace, 2009.

23 Matthew Levitt, "What Europe Can Do to Secure a Deal with Iran, Europe's World, Spring 2010, http://www.washingtoninstitute.org/templateC06.php?CID=1425.

24 Ibid.

25 "A Strategy for Iran," Interview with David Albright, President, Institute for Science and International Security, February 23, 2010 for www.cfr.org.

26 Shannon N. Kile, "Final Thoughts on Iran, the EU and the Limits of Conditionality," *Europe and Iran: Perspectives on Non-Proliferation*, ed. Shannon N. Kile, , SIPRI Research Report No. 21, 2005, pp. 122-35.

Russian Arms Exports to the Middle East: A Means or an End?

Zvi Magen, Yiftah Shapir, and Olena Bagno-Moldavsky

When the Soviet Union became the primary arms supplier to the Middle East during the Cold War, it gained much influence in the region. The collapse of the Soviet Union seriously harmed Russian preeminence, and only in recent years has Russia begun gradually to recover its status as a superpower in the field of weapons production and export (capturing approximately 17 percent of total global export contracts[1]). As in the past, active participation in this arena is considered highly prestigious internationally, and Russia deems this effort as particularly important. Indeed, arms export has always been seen as a tool to its international standing, both from an economic standpoint, with arms constituting Russia's primary export market, as well as from the political standpoint, as an essential component of foreign policy. In fact, for Russia the Middle East is an important region more from a strategic standpoint than from an economic one (the supply to the Middle East represents on average approximately 16 percent of Russian arms exports over the last decade), and Russia is rebuilding its presence in the region by initiating arms supply deals with local actors.

The following article reviews Russia's arms exports to the Middle East in recent years, along with its use of these exports to promote Russia's political and strategic goals.

Ambassador Zvi Magen, senior research associate at INSS; Yiftah Shapir, senior research associate at INSS; Olena Bagno-Moldavsky, Neubauer research fellow at INSS

Russia's Arms Export Policy

The Soviet Union consistently regarded arms export as a primary tool to promote its political objectives in the international arena,[2] and Soviet arms export flourished not primarily due to their (not insignificant) quality, rather primarily due to the special export policies. Weapons were usually supplied at small, token prices not to the country that was the highest bidder, rather to the countries or non-state organizations that embraced a pro-Soviet or anti-Western orientation. This approach, intended to recruit "clients" to support the Soviet Union's policies in the international arena, typified Soviet policy, whereby all considerations, including economic, were subject to the political-strategic interests.

Following the collapse of the Soviet Union, Russia entered a period of political and economic paralysis. Only a portion of the defense production infrastructure remained in Russian territory, and its operation was severely limited given the lack of government investment. As a result, the export market dropped significantly: Russian control over the global weapons market plummeted from approximately 40 percent in the late 1980s to a meager 10 percent in 1994. In subsequent years, United States control of the market, which was about 50 percent in the 1990s, slid to about 37 percent between 2001 and 2008.[3] In turn, Russia's recovery began in the late 1990s and gained momentum in the decade that followed: between 2001 and 2008, Russia controlled about 17 percent of the global arms market. This recovery was chiefly due to both the price of energy sources and a conceptual change in foreign and military policy, which emphasized Russia's return to the international arena.

Russia was traditionally viewed by the West as an international player of secondary importance and was forced, after a difficult decline from its Soviet-era accomplishments, to make concerted efforts to regain its leading position in the international arena. From a business standpoint, Russia began over the years to operate according to the competitive principles of the international free weapons market and participate in open exhibitions alongside prominent Western arms manufacturers.[4] After considerable recovery efforts, Russia's status in the weapons and technology market in recent years grew and new markets developed (China – 35 percent, India – 24 percent, South Korea, Taiwan, North Africa (Algeria – 11 percent). The quality of the weapons produced has also become increasingly competitive in relation to Western weapons.

In addition, as a consequence of the changes in its geopolitical approach and its foreign and security goals, the Russian defense establishment has undergone several transformations. First, previous policies were revamped once the systems that oversaw the arms export and the security technology were released from the political constraints. The control over exports also changed hands, a result of both a bureaucratic transformation in the industry and competition for control over the prestigious field of foreign trade.[5] Beyond that, underlying assumptions regarding the precedence of economic over political considerations have fluctuated a great deal, based on leadership changes and the economic situation, including the world crisis. From among the influential factors, one can also identify shifts in the Russian security doctrine, which have prompted changes in security export policies.

Among the recent developments in this field are the new guidelines that were published in February 2010,[6] which established new trends in weapons and technology export policy within Russia's industrial security system. Unlike earlier years, when the economic issue took the lead, these directives noted the tight bond between export policies and Russian foreign policy, as well as the close integration of economic and political-strategic considerations. These principles are intended to serve Russia's foreign policy interests, which in recent years have focused on promoting a multi-polar policy, in part to strengthen its presence in the Middle East and to transform it into a key global player – equal in value to the United States – and enhance Russia's influence in global processes. This interest naturally dictates that Russia must adopt assertive foreign policies in the promotion of its geopolitical and economic objectives. Arms export serves to intensify Russia's influence in areas where it is in competition with its rivals and with other arms manufacturers, with Russia aspiring to become a competitor of the United States and of NATO.

Arms export serves to intensify Russia's influence in areas where it is in competition with its rivals and with other arms manufacturers, with Russia aspiring to become a competitor of the United States and of NATO.

At the same time, the adoption of an export policy tightly integrated with international political considerations indicates Russia's awareness of its limited influence in international relations, particularly in the struggle for real influence over political and

economic issues versus players such as the United States, the European Union, and China. As in the Cold War, weapons thus remain a vital (and possibly exclusive) form of leverage for Russia to build its influence over what it sees as important countries.[7]

Russian Arms Export to the Middle East

The Middle East has long been a locus of world tension and consequently is an attractive target for arms export. The Soviet Union succeeded early on in establishing itself in this market, and signed arms deals with countries in the region beginning in the 1950s. These were accompanied by consulting deals, in whose framework Soviet military advisors were sent to the region and took active part in local conflicts. These deals provided the Soviet Union with political access and the use of military infrastructures (ports, airports, and more). Following the collapse of the Soviet Union, the Middle East stopped – at least initially – being Russia's primary client, with only Iran and Syria remaining major Russian clients (table 1).

Table 1. Arms Transfer Agreements with the Middle East, in millions of current U.S. dollars, 2001-2008

	2001-2004		2005-2008		Dynamics of presence ("+" – positive;"-" – negative; "0" – no presence)	
	Russia	US	Russia	US	Russia	US
Egypt	300	5.200	500	5.200	+	No change
Iran	300	0	1,900	0	+	0
Iraq	100	300	100	3,500	No change	+
Israel	3,200	300	0	2,700	-	+
Jordan	0	700	200	1,000	+	+
Kuwait	100	1,700	0	1,500	-	+
Libya	300	0	300	0	No change	0
Saudi Arabia	100	4.100	200	11,200	+	+
Syria	1.100	0	4,700	0	+	0
UAE	100	800	300	10,000	+	+
Yemen	700	0	200	0	-	0

0=less than $ 50 million or nil

Source: Table adapted from Richard F. Grimmett, "Conventional Arms Transfers to Developing Nations, 2001-2008," http://www.fas.org/sgp/crs/weapons/R40796.pdf.

From Russia's vantage, the Middle East remained an extremely important target: as a theater for intense international activity; given its geopolitical significance; due to its proximity to Russia's southern borders, home to a large Muslim population that is exposed to ideological influences of the Middle East; and due to the fact that the Middle East is the primary arena of international conflict in the world today. These factors dictate that Russia, with its international aspirations, would try to establish an active presence in the region. Therefore, following its considerable success in the weapons market in other areas, Russia has set its sights on the Middle East as its next target and is investing considerable effort to regain a politically influential role in the region, alongside the United States. According to Russia's perception and especially due to its economic situation, building influence in the international system is achieved more through political than through economic means. Thus in order to reinforce its regional position, Russia is coupling new political ties with parties in the area to the supply of arms and technological assistance, and the scope of the weapons supply to the Middle East indicates Russia's political-strategic interests in the region over its economic interests. In other words, Russia gains more of a political reputation by its presence in the region than what it profits from actual arms supply deals, some of which are not even realized for many years. This Russian dynamic with Middle East states differs from its relationship with India or with China, its two main clients.

Clear examples that Russia's political aspirations are the dominant consideration in the region include its willingness to supply free of charge weapons to the Palestinian Authority (such as the 50 armored personnel carriers that were recently provided) and attack helicopters to Lebanon (the future profit will be the establishment of a Russian presence on Lebanese soil in the form of consultants, instructors, and technical staff). The willingness to erase the Syrian and Libyan debts also matches this trend.

The adoption of an export policy tightly integrated with international political considerations indicates Russia's awareness of its limited influence in international relations.

Russia's varied market indicates its holistic approach. Unlike in the past when partners were essentially political allies, namely anti-Western countries, today Russia aims to develop partnerships with everyone, from

"axis of evil" states to those identified with the pro-Western camp. This enables Russia to appear as a mediating or bridging party in order to gain credit in the international system. In addition, Russia controls its Middle East arms export in such a way that it maintains the regional equilibrium, certainly in the deals with its two primary clients in the region, Iran and Syria. Beyond what was provided to these countries openly and secretly, Russia adopts ambivalent policies, specifically regarding cardinal issues: on the one hand Russia signs deals providing the countries with what they want, and on the other hand it takes its time in actually executing the requests. This practice is just another dimension of Russia's use of its arms deals as leverage in gaining influence and promoting its political aims, principally in competition with the West.[8]

In recent years Russia scored several achievements, but for a number of reasons most of them fell short of original goals. Often Russia sought payment on old debts to the Soviet Union, but the inability or unwillingness of the regional states to pay these debts blocked potential deals. Some of the deals were enabled only after Russia agreed to erase past debts (as in the case of Syria and Libya). Moreover, the Russian weapons industry had already stagnated by the final days of the Soviet Union and continued to lag through most of the 1990s. Thus the Russian systems were not competitive from a technological standpoint in comparison to Western technology.

It appears that after all the upheaval, Russia has slowly returned as a powerful country in the field of security production and export. After a decade of concentrated efforts, today[9] Russia's arms sales in the region constitute 21-26 percent of total Russian arms sales worldwide. Russia, however, remains determined and persistent, and one should not rule out the possibility that continued efforts will reap additional future successes, especially in light of last decade's dynamics whereby Russia renewed its presence in the area.

Russia gains more of a political reputation by its presence in the Middle East than what it profits from actual arms supply deals.

Over the last decade, as it labored to continue its recovery, the Russian weapons industry began to bridge many gaps, primarily in the fields of electronics and information systems. There remained critical lacunae (for example, the purchase of UAVs from Israel was intended to assist the

Russian industry with this gap), but in many areas the Russians offer the most advanced systems available today. For example, a series of SU-30/35 aircraft in various models include some of the most advanced planes in the world.[10] In addition, all of the systems appearing under names that were used during the period of the Soviet Union[11] have been updated and their components have been completely changed.

Apart from the weapon systems, special emphasis has been placed on areas where Russia displays singular assets, particularly in the missile, space, and nuclear fields. Russia's progressive space and missile industries, which have lifted their veils of secrecy, produce and market satellites that are indigenously developed or developed under partnership with Western companies or with experts from the client country who are eager to gain additional knowledge. Also marketed by Russia are capabilities to launch satellites, which have been purchased by many clients (including Israel). The Russian nuclear industry, which almost disappeared with the collapse of the Soviet Union, succeeded in becoming a Russian export product as well, both overtly and covertly (illegally) by leaking information and even selling nuclear materials that were stolen from Russian infrastructures.

Current Russian clients in the Middle East include (figure 1):

a. The "axis of evil" states: Iran and Syria, which are Russia's big clients in the region. Joining them are the radical organizations, specifically Hizbollah and Hamas. These groups enjoy Russian weaponry that reaches them via indirect routes.
b. The moderate Middle East states: Egypt, Saudi Arabia, Jordan, Lebanon, and the Gulf states. One can also include the Palestinian Authority. Although Russia has high expectations of some of them, e.g., Saudi Arabia, most of these countries will remain small clients at best, and for some, the justification to supply them with weapon systems is explicitly political.
c. North African states: the supply of arms to Algeria and Sudan signals a positive trend for Russia.

Iran

After the Iran-Iraq war, Iran purchased Russian equipment, which was supplied in the early 1990s. No overt formal aid was given in the field of missile development. Presumably, however, in the late 1990s much Russian technology permeated the Iranian missile programs in various

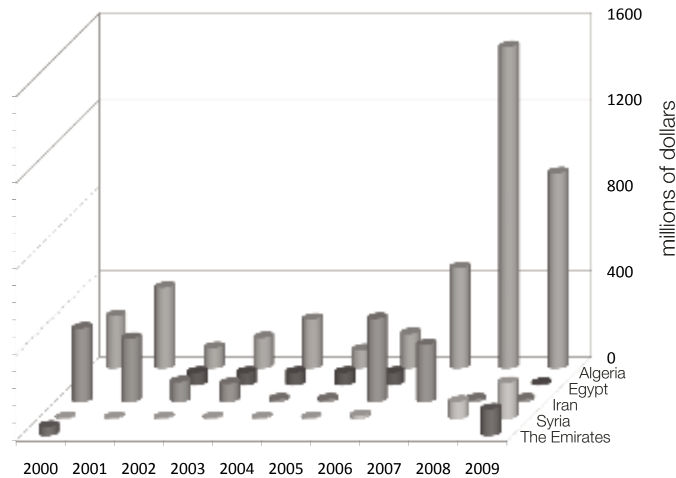

Figure 1. Russian Arms Exports to Selected States in the Middle East, 2000-2009

ways, such as the sale of X-55 cruise missiles by Ukraine, the BM-25 missiles from North Korea (a North Korean version of the Russian submarine-launched SS-N-6 missile), and the transfer of RD-216 engine technologies (which served the Russian R-12 missile). In the field of satellites, Iran ordered the ZOHREH communications satellite from Russia. The contract was signed with Russia in 2001, cancelled by the Iranians in 2003, signed again in 2005, and still has yet to be completed.

Over the past decade, intermittent reports appeared regarding the sale of Russian arms to Iran in the multibillions, but in the end the deals did not materialize except for one $900 million transaction for the TOR-M1 short range air defense systems. The most notable deal that was actually signed in 2007 was the deal to purchase the S-300 long range air defense systems. Execution of this deal was postponed every time with different excuses, but in practice the motive was in order to gain leverage and put pressure on Iran. The question of supplying these systems has become a sensitive issue in Russia-Iran relations and Russia-United Sates relations, and it is clear that the last word has yet to be spoken.

Syria

Syria was a loyal client of the Soviet Union and served as a base for many Soviet advisors. These ties were severed with the fall of the Soviet Union. The main issue between Russia and Syria was the large debt accrued through the purchase of Soviet weapon systems. A breakthrough was achieved in 2005, when the Russians agreed to erase 73 percent of the debt. In exchange, the Syrians provided Russia with a renewed foothold in two of its ports, Tartus and Latakia. Despite Russia's expectations of large scale purchases from Syria, the deals amounted to a relatively limited number of systems. Although the Syrians were interested in the S-300 air defense systems and the ISKANDER-E surface-to-surface missiles, the purchases amounted to KORNET and METIS anti-tank missiles (a portion of which made their way to Hizbollah) and IGLA-S portable anti-aircraft missiles. This sale raised concern in the United States and in Israel, fearing that these systems would reach Hizbollah. In order to mitigate these concerns, a heavier mounted system, called STRELETS, was developed specifically for this transaction. Another recent deal involved the purchase of eight MiG-31 planes that were apparently intended to serve Syria in intelligence missions. The deal is currently suspended, with its future unclear.

Egypt

Egypt was a Russian client from the 1950s until the 1970s. Despite Egypt's turn to the United States, a considerable amount of Soviet equipment remains in use today, including AFVs, planes, and strategic SAM systems. Beyond purchasing spare parts from Russia, Egypt purchased a project for the improvement of outdated anti-aircraft missiles, the PECHORA-M2. The system uses old missiles but is mobile and equipped with electronic systems and new computers.

Lebanon

Lebanon is a small client, but in recent years Russia tried to obtain a foothold in the country by offering to supply it with 10 MiG-29 fighter jets gratis. Lebanon, whose air force had not used fighter jets since the 1970s, declined the offer but requested MI-24 attack helicopters instead. Russia responded affirmatively to the request during President Suleiman's visit to Moscow in February 2010.

The Gulf States

The Gulf states were never clients of the Soviet Union, and as Western allies, they were not candidates for Soviet involvement. After the collapse of the Soviet Union, Russia attempted to gain entry into this attractive market and in the 1990s succeeded in selling Kuwait a line of products: BMP-3 armored personnel carriers, anti-tank missiles, and long range SMERCH rockets. Another Russian success was the sale of a large quantity of BMP-3 armored personnel carriers to the Emirates in 2000. This deal continued in recent years in the form of supplying armored personnel carrier enhancements to the United Arab Emirates, as well as supplying light weaponry, anti-tank missiles, and portable anti-aircraft missiles. The most interesting deal was the purchase of PANTSYR S-1 advanced short range air defense systems for defending target points, which was developed in Russia with funding by the client. It was later sold to Syria as well.

Algeria

Export to Algeria has become Russia's greatest success in the Middle East over the last decade. Even early in beginning of the decade, Algeria purchased SU-24 fighter-bomber planes. In 2004, negotiations began on a large deal estimated at $7 billion that was signed in 2006. This deal included MiG-29SMT fighter planes, SU-30MKA aircraft, YAK-130 training aircraft, short range and long range strategic SAM systems (TUNGUSKA – M1 and S-300PMU, respectively), T-90 tanks, and other equipment. Algeria was dissatisfied with some of the equipment and returned it to Russia; it was eventually replaced with improved models.

Libya

With the lifting of the sanctions on Libya, the Russians renewed their trade with the country in hopes of establishing purchasing deals and upgrading old Soviet equipment. These negotiations did not yield results for a decade until 2009, at which point Russia erased Libya's $1.8 billion debt and sold Libya three MOLNIYA ships. In 2010, a large scale purchasing deal was signed whose details are not fully known, but which in part includes YAK-130 training aircraft, T-90 tanks, and the improvement of the old T-72 tanks that were in Libya's possession. It is

common knowledge that Libya intends to purchase SU-30MK2 and SU-35 advanced fighter aircraft as well as S-300PMU2 strategic SAM systems.

Conclusion

After the many attempts that followed the collapse of the Soviet Union, Russia is gradually regaining its status as a superpower in the production and export of security equipment and now offers advanced weapons that are competitive with Western products. Russian exports have expanded to many markets in Asia and continue to spread rapidly. In addition to export, Russia is also broadening its production in various countries (China, for example), either with a license or through forgery, a worrisome prospect for these countries' regional neighbors.

Over the past decade, the Middle East has once again become an attractive target for Russia's arms deals and it is likely that this trend will continue. Aside from revenue, this status provides Russia with an important tool for gaining regional influence. Arms deals with various countries in the region serve Russia's interests in amplifying its presence in the Middle East and promoting its other objectives vis-à-vis its rivals in the international arena. Thus in the last decade, the role of political-strategic considerations is growing in the formation of export policy regarding Russia's sensitive weapons and technologies, primarily in the Middle East.

This trend, which is intended to serve Russia's assertive foreign policy that has developed in recent years, is meant to attain its goals of a multi-polar world order and the empowerment of Russia's status in the international arena. Russia is successfully utilizing its presence in the Middle East while managing an effective threshold policy. In this framework security and technological exports serve as a point of leverage towards attaining political-strategic goals and are operated as a branch of foreign policy. At the same time, this trend reflects Russia's limitation in promoting its goals using the economic tools that are generally accepted between influential international players such as the United States or European countries. Due to this limitation, Russia is taking advantage of its Middle Eastern weapons export to build its influence in both the region and in the international arena.

Notes

1 Richard F. Grimmett, "Conventional Arms Transfers to Developing Nations, 2001-2008," http://www.fas.org/sgp/crs/weapons/R40796.pdf.

2 The Russian term for the combined field of arms exports, security assistance, and military cooperation, in use since the Soviet era, is "Military-Technical Cooperation" (BTC). Arms deals are called military technical agreements.

3 Paul Holtom, Mark Bromley, Pieter Wezeman, and Siemon Wezeman, "Trends in International Arms Transfers, 2009," SIPRI Fact Sheet, http://books.sipri.org/files/FS/SIPRIFS1003.pdf; and http://www.export.by/en/?act=s_docs&mode=view&id=1651&type=by_class&indclass=34641&mode2=archive&doc=64.

4 Changes were also made to the weapons markings since the Soviet era. In the past, the weapons were identified by their NATO code or by the United States intelligence code. These systems are currently identified by their Russian names (S-300 instead of SA-10, BUK instead of GADFLY, SA-11).

5 As of now, the issue is the responsibility of the State Committee for Military-Technological Cooperation (FSVTS), which answers to the president. At the head of the committee stands M. Dmitriyev, a close associate of Prime Minister Putin. This is an extremely powerful body, which controls all of Russia's security export procedures, aid, and cooperation. Operating alongside it is a government branch that deals with foreign sales – ROSOBORONEXPORT. Russia, however, has additional mechanisms that deal with the production and export of weapons, each with different and sometimes conflicting interests. Disputes between the different bodies, personalities, and interests have existed throughout the years and are not likely to be resolved anytime soon. For the most part, there are conflicts of interest between the general considerations versus the political and strategic considerations, and these have intensified in recent years. The various considerations define which weapons and sensitive technologies, illegal in the international system, will not be supplied, such as nuclear, missile, and systems technologies, which have the potential to upset the regional security balance.

6 Russia's security concept is generally accepted as a combination of its military doctrine, international security concept, and foreign policy.

7 Under the special circumstances of the 1990s, Russia and the former Soviet Union saw the development of "leakage," with illegal weapons, information, and technology transfers to various parties in the world, especially the Middle East. In this context, nuclear and missile technology found their way to the Middle East, including Iran, and certain weapons reached terrorist organizations. Although the Russian government denied taking any part, in at least some of these cases, supplying these weapons served Russian interests. Until recently, an underground arms transfer network was also in operation; the purpose was to smuggle sensitive weapons or smuggle to elements that by international law were forbidden to receive weapons. See

for example *Global Alternative*, May 8, 2009, mailto:http://aglob.info/articles.php?article_id=2761.

8 Vladimir Socor, "Moscow Uses Anti-Iran Sanctions as Bargaining Leverage on Washington," 2010, http://www.acus.org/new_atlanticist/moscow-uses-anti-iran-sanctions-bargaining-leverage-washington.

9 The economic crisis also harmed the sale and prices of energy sources, a primary source of income for Russia. The lack of development in exportable infrastructure forced Russia to identify additional alternatives, with weapons at the forefront.

10 ROSOBORONEXPORT reported last year that the weapons export potential is estimated in the range of $27 billion to about 30 countries in the coming years. As of now, Russia's annual exports come to approximately $9 billion. See http://www.export.by/en/?act=s_docs&mode=view&id=1651&type=by_class&indclass=34641&mode2=archive&doc=64.

11 The MiG-29SMT aircraft is a completely different aircraft than the MiG-29 from the 1980s, and the S-300PMU2 anti-aircraft missile system is a much more advanced system than the S-300 of the Soviet Union days (the system referred to as the SA-10 in the West).