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The Politics of Patron-Client State Relationships:
The United States and Israel, 1948-1992

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Abstract

This study examines the politics of patron-client state relationships. Specifically, it examines the nature and use of influence between patron and client to determine whether these relationships are primarily coercive or persuasive (non-coercive). This study tests two models, the coercion and incentives models, using the United States-Israel relationship from 1948-1992 as a case study. The two models are compared to determine which model offers greater utility for describing and explaining patron-client relations. This study argues that the incentives model offers greater utility for explaining patron-client influence dynamics. A systematic review of crucial interactions in the U.S.-Israel relationship over time illustrates that the incentives model, rather than the coercion model, is more consistent with the approach utilized by the patron in successful influence attempts. Additionally, the dominant flow of influence in these relationships is found to be from the patron to the client, rather than the reverse.

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Chapter One

Introduction

This study examines the politics of patron-client state relationships. Specifically, it examines the nature and use of influence between patron and client to determine whether these relationships are primarily coercive or persuasive (non-coercive) in nature. A patron-client state relationship is defined as a dyadic, voluntary, and durable association between two states of unequal power that derive reciprocal, although unequal, benefits from maintaining the relationship.

The literature on patron-client influence is divided into two reasonably well-defined models that are consistent with the conceptual foundations developed in the classical literature. These models are referred to as the coercion model and the incentives model. The central dispute surrounds the means and outcome of influence attempts between patron and client, and whether influence flows from the patron to the client or the reverse. In other words, how is influence applied, and are the outcomes predictable? This study tests the coercion and incentives models using the U.S.-Israel relationship as a case study. The two models are compared to determine which model offers greater utility for describing and explaining patron-client relations.

It is important to note that the coercion and incentives models are not mutually exclusive. As Lebow and Schelling observed, elements of both coercion and incentives can be found in influence relationships.¹ Nevertheless, the models represent distinct approaches since their respective assumptions and expectations lead one to expect different patterns of influence. This study examines whether one of the models more accurately reflects the dominant pattern of patron-client influence.

The Coercion Model

The fundamental assumption that underlies the coercion model is that strong states are successful in imposing their will over weak states. Early studies of patron-client interaction identified coercion as the expected means of influence in patron-client relations. Coercion relies upon the communication of a threat to inflict damage (either violent or non-violent) in an effort to persuade an adversary to alter its behavior. Alexander George describes coercive diplomacy as seeking, "to persuade an opponent to do something, instead of bludgeoning him into doing it, or physically preventing him from doing it."² To achieve this, the coercing state must convince the target state that it has both the capability and willingness to inflict considerable damage. As Lauren observes, "The potential power to hurt is used as bargaining power."³

¹Richard N. Lebow, The Art of Bargaining (Baltimore: Johns Hopkins, 1996), 72.

²Alexander L. George, et al., The Limits of Coercive Diplomacy: Laos, Cuba, Vietnam (Boston: Little, Brown, 1971), 18-19.

³Paul Gordon Lauren, "Theories of Bargaining with Threats of Force: Deterrence and Coercive Diplomacy," in Paul Gordon Lauren, ed., Diplomacy: New Approaches to History, Theory, and Policy (New York: Free Press, 1979), 193.

The coercion model focuses attention on the relative imbalance of power between patron and client as the primary variable in determining the outcome of influence attempts. Given its significant power resources, it is assumed that a patron will in most instances be able to impose its will upon its client. Keohane observes that patrons, "have immense resources no lesser state can hope to approximate." He argues that given the disparity in power resources the patron should be able to prevail over its clients, while being better able to insulate itself from client pressures.⁴

The hypothesis associated with the coercion model is that if this model is consistent with the dominant pattern of influence in patron-client relationships, then we should expect to see an identifiable pattern of coercive influence applied by the patron over time to achieve client compliance. In other words, if the U.S. wants to compel or deter Israel into taking or abstaining from specific decisions or actions, then it primarily uses coercive influence methods to successfully bend Israel to its will. If the model is useful then we should expect to observe three influence methods that should be common to the relationship. First, threats of punishment to communicate the consequences of non-compliance. Second, manipulation of resource transfers by the patron to achieve client compliance. Third, instances of punishment for non-compliance.

If the coercion model is useful, then we expect to see coercion applied by the patron in situations where the client is most vulnerable to the consequences of non-compliance. Specifically, when the stakes of non-compliance are asymmetrical in favor of the patron, and when the client has no appealing alternatives, the successful use of

⁴Robert Keohane, "The Big Influence of Small Allies," Foreign Policy 2, (Spring 1971), 161-65.

coercion should be expected.

The Incentives Model

The central expectation of the incentives model is that accommodative, non-zero sum bargaining is employed as the primary means of patron-client influence and conflict resolution. Positive inducements and incentives are used as influence tools rather than coercion.⁵ While the client state is sovereign and autonomous, it is susceptible to influence by inducements and rewards offered by the patron. The hypothesis associated with the incentives model is that if the U.S. successfully influences Israel, then it is primarily the result of providing incentives and rewards to achieve compliance. We assume the use of incentives increases the prospect of achieving agreement since the motivation for non-compliance is being mitigated by the incentives provided. This compensation can be directly tied to a concession, or perhaps to the promise of future rewards or consideration. Such incentives provide compensation for decisions that entail risks or costs for the client.

If the incentives model accurately reflects the dominant pattern of patron-client influence, then we expect to see repeated instances of cooperative, non-zero sum bargaining in which both the patron and client seek to achieve their respective objectives without threatening, imposing, or suffering unacceptable costs. Specifically, the client is explicitly or implicitly provided inducements or rewards for complying with the patron's preferences. These inducements can take many forms, both measurable and intangible.

⁵Nitza Nachmias, Transfer of Arms, Leverage, and Peace in the Middle East, (New York: Greenwood

Tangible inducements include financial assistance, military equipment, technology transfers, and information sharing, to name a few. Inducements that are more difficult to quantify and measure include diplomatic support, security assurances, and other types of political commitments.

If the incentives model accurately reflects the dominant pattern of patron-client influence, then we expect to see bargaining linkages between potentially unrelated issues.

Since the relationship usually occurs simultaneously on multiple levels, incentives can be used to create such influence linkages.⁶ Special mechanisms are created to manage aspects of the bilateral relationship that go beyond typical relations between states. The functions of these special mechanisms include, but are not necessarily limited to, managing resource transfers from the patron to the client.⁷

The incentives model makes assumptions concerning the nature of linkages and interaction between the patron and client. For example, one assumption is that a mutual perception exists that the broader relationship is more important to both parties than the outcome of a particular influence attempt. In other words, neither the patron nor client adopts a “win-at-all-costs” bargaining approach. A second assumption is that a frequent, open exchange of information occurs between the patron and client with regard to interests, objectives, and preferences. Cooperative bargaining is dependent upon this exchange of information since the use of incentives requires knowledge of the preferred

Press, 1988), 10.

⁶Lebow, *The Art of Bargaining*, 74-75.

⁷Examples in the U.S.-Israel case include U.S. Department of Defense – Israel Ministry of Defense working groups that meet regularly to review and coordinate on issues of common strategic interest and cooperative security programs.

outcome of both the patron and the client. Finally, we assume that trust exists between the patron and client, and both states view the continuation of a positive relationship as a desirable and important objective.

The Argument

This study argues that the incentives model offers greater utility for explaining patron-client influence dynamics. Although both incentives and coercion can take place in a patron-client relationship, and coercive influence attempts did occasionally occur, the outcomes were generally unsuccessful from the patron's perspective. Additionally, this study argues that the dominant flow of influence is from the patron (the U.S.) to the client (Israel), rather than the reverse. A systematic review of crucial interactions in the U.S.-Israel relationship over time illustrates that the patron is often successful in its influence attempts, and that the incentives model, rather than coercion model, is more consistent with the approach utilized by the patron in successful influence attempts.

Previous studies that have utilized a patron-client framework have often relied on a coercion model that makes assumptions about the patron's expected ability to exercise coercive leverage over the client. For example, Nachmias observes that in the U.S.-Israel relationship, "the donor state has many times been the captive of the recipient state...and arms transfers demonstrate that the U.S. has gained very little, if any, leverage over Israel's policies and politics. Leverage proved more to be a myth than a reality."⁸ This assessment led her to conclude that influence in the patron-client relationship, "seems to

⁸Nachmias, Transfer of Arms, Leverage, and Peace in the Middle East, 3.

be reversed with the client enjoying leverage over the patron."

This study argues that anecdotal claims about the "tail wagging the dog," namely that client states exercise disproportionate influence over their patron, are exaggerated. Instead, the dominant flow of influence is from the patron to the client as illustrated by the empirical evidence presented in the case study.

Historical Context

From the perspective of the Middle Eastern states during the Cold War, the superpowers' pursuit of regional friends and allies afforded them the opportunity to acquire a variety of resources. These resources included military equipment, economic assistance, security assistance, political and diplomatic support, and others. The superpowers responded and entered into formal and informal alignments with states that professed to be either anti-capitalist or anti-communist.⁹ The professed ideological similarities between a superpower and its regional ally were frequently the product of mutual convenience rather than genuine ideological solidarity. The Soviet Union's relationships with Egypt from 1952-77, and with Syria from 1956-91 are examples of this phenomenon.¹⁰

⁹Moshe Efrat and Jacob Bercovitch, Superpowers and Client States in the Middle East: The Imbalance of Influence (New York: Routledge, 1991), 3.

¹⁰For a discussion of the Soviet-Egyptian relationship see Mohammed Heikal, The Sphinx and the Commissar (New York: Harper and Row, 1978) and The Road to Ramadan (New York: Quadrangle Books, 1975); Alvin Z. Rubinstein, Red Star on the Nile: The Soviet-Egyptian Influence Relationship Since the June War (Princeton: Princeton University Press, 1977). For a review of the Soviet-Syrian relationship see Helena Cobban, The Superpowers and the Syrian-Israeli Conflict (Washington, DC: Center for Strategic and International Studies, 1991), 112-37, and Galia Golan, Soviet Policies in the Middle East: From World War II to Gorbachev (Cambridge: Cambridge University Press, 1990), 140-56.

The superpowers' relationships with their regional allies proved far more difficult to manage than envisioned by Washington or Moscow. To some degree this difficulty could be attributed to their clients' pursuit of opportunistic policies under the perceived security umbrella of the patron.¹¹ Another aspect of these relationships was the distinctions between the political, strategic, and economic agendas that were pursued by the superpowers as compared with those pursued by their allies. While the superpowers viewed their regional relationships within the context of Soviet-American competition, the regional actors had their own agendas, which at times included aggressive intentions toward a neighboring state or states.

The Reagan administration's short-lived notion of a "strategic consensus" in the Middle East directed against the Soviet Union illustrated this phenomenon. Israel, Egypt, and Saudi Arabia were viewed as the foundation of this consensus, but they viewed American arms transfers largely within the regional context rather than as a deterrent or potential response to Soviet encroachment. For example, Saudi Arabia's substantial military buildup during the 1980s was primarily in response to the threat it perceived from Iran, and to a lesser extent Iraq.¹² Similarly, arms transfers from the United States to Israel occurred within the context of the Arab-Israeli military balance, although successive Israeli governments recognized the political value of casting Israel as an extension of NATO in the Middle East. Notwithstanding a significant amount of rhetoric

¹¹Efrat and Bercovitch, Superpowers and Client States in the Middle East, 3.

¹²See Nadav Safran, Saudi Arabia: The Ceaseless Quest for Security (Cambridge: Harvard University Press, 1985), and William B. Quandt, Saudi Arabia in the 1980s: Foreign Policy, Security, and Oil (Washington, DC: Brookings Institution, 1981).

regarding providing for their “self-defense,” the strategic doctrines of both Saudi Arabia and Israel at least implicitly relied upon the United States to assume responsibility for countering a Soviet military thrust into the region. This reliance was illustrated by the Persian Gulf War, when Saudi Arabia (and to a lesser extent Israel) relied on the United States to respond to Iraqi aggression.

The focus of this study is the bilateral influence process between the patron and client. The superpowers, or patrons, possessed the power capabilities necessary to exercise their will over their clients. The clients had limited resources and needed the protection afforded to them by their patrons. Efrat and Bercovitch observe that, “On the face of it, Israel's relations with the United States or Syria's relations with the Soviet Union should have been defined in terms of small state compliance.”¹³ Since we know this was not the case, it is necessary to re-evaluate these relationships in hopes of achieving a better understanding of the dynamics of patron-client state relationships.

Research Questions, Objectives, and Methodology

This study's research questions are as follows. Is influence in patron-client relationships primarily coercive or persuasive? Does influence primarily flow from the patron to the client or the reverse? What are the characteristics and attributes of these relationships? How do these relationships differ from others in international politics?

The objective of this research is to achieve a better understanding of the characteristics and influence dynamics of patron-client relationships, and to move beyond

¹³Efrat and Bercovitch, Superpowers and Client States in the Middle East, 4.

Cold War analytical models that focused attention on superpower competition. This study also moves beyond anecdotal observations about patron-client influence dynamics that have at times been used in the past to explain these complex relationships.¹⁴

Another objective of this study is to distinguish patron-client relationships from alliances, a subject for which a robust literature already exists.¹⁵ Patron-client relationships are a sub-set of alliances, yet there are significant differences between the two groups. For example, unlike formal alliances (e.g., NATO, ANZUS) in a patron-client relationship there is no treaty codifying the relationship and respective commitments and obligations. Additionally, certain features common to alliances such as collective security and mutual defense provisions are not present.

The literature on alliances asks different questions than the types of questions associated with the study of patron-client relations. For example, the alliance literature examines the conditions under which alliances form, how they respond to external threats, and how they are maintained in response to change in the international system.¹⁶ In contrast, the questions associated with patron-client relationships focus on the dynamics of the relationship itself and the dynamics of influence between the patron and client.

¹⁴Robert Keohane, "The Big Influence of Small Allies," Foreign Policy 2, (Spring 1971), 161-65.

¹⁵For a survey of this literature see Robert Rothstein, Alliances and Small Powers (New York: Columbia University Press, 1968); Hans J. Morgenthau, Politics Among Nations: The Struggle for Power and Peace (New York: Knopf, 1954); Marshall Singer, Weak States in a World of Powers: The Dynamics of International Relations (New York: The Free Press, 1972); Michael Handel, Weak States in the International System (London: Frank Cass, 1981); Charles Kegley and G.A. Raymond, When Trust Breaks Down: Alliance Norms and International Politics (Columbia: University of South Carolina Press, 1990); Ole Holsti, et al., Unity and Disintegration in International Alliances (New York: Wiley, 1973).

¹⁶Stephen Walt, The Origin of Alliances, (Ithaca: Cornell Press, 1987).

Another objective is to define patron-client state relationships by identifying their characteristics. This study provides a conceptual framework for the examination of these relationships, which addresses a theoretical gap that currently exists in the literature. Although this study examines the U.S.-Israel relationship, other relationships in U.S. foreign policy and international politics could be examined using the patron-client framework developed in this study (e.g., U.S.-Saudi Arabia, U.S.-Egypt).

In order to provide context for this study, previous efforts directed at the description and analysis of patron-client relationships are reviewed along with a discussion of why these efforts proved inadequate. This literature review illustrates that previous attempts to analyze patron-client relationships by scholars such as Keohane and Nachmias rely heavily on coercion models.¹⁷ More recent studies by scholars such as Bercovitch and Efrat utilize an incentives model as an alternative approach.

The U.S.-Israel relationship is examined from 1948-1992. For purposes of comparison and organization the relationship is divided into three chronological periods (1948-1960, 1961-1976, and 1977-1992). Significant bilateral interactions and influence attempts are examined within each period during crisis and non-crisis interactions. Additionally, the three periods correspond to changes in U.S. presidential administrations, and to important milestones in the bilateral relationship in terms of political and economic support and military transfers.

In addition to reviewing of each period, this study examines an influence episode in each period in greater detail in order to determine whether a pattern of influence can be

¹⁷Keohane, The Big Influence of Small Allies; Nachmias, Transfer of Arms, Leverage, and Peace in the

identified. An objective in selecting these episodes was to include influence attempts in which either the U.S. or Israel perceived important national interests were at stake (but not the other), and two episodes where both had important national interests at stake. In the first period (1948-60), the 1956 Suez War is examined because it was the first case of significant coercive influence being utilized by the United States toward Israel. In this episode both states perceived that important national interests were at stake. In the second period (1961-76), this study examines U.S. influence attempts with regard to gaining Israel's political support for its policies in Vietnam. In this episode the U.S. had important interests at stake, which was not the case for Israel. In the third period (1977-92), this study examines the Lavi aircraft episode. In this episode Israel had important interests at stake, which was not the case for the U.S. Finally, this study examines the Persian Gulf War (1991-92) as an episode in which both the U.S. and Israel had vital national interests at stake.

By dividing the study into three periods it is possible to compare bilateral interaction both before and after a patron-client relationship developed. Bilateral interactions and influence attempts are examined to identify the use of coercion and incentives as bilateral influence tools. Then by comparing the influence relationship over time as the patron-client relationship develops and matures, this study will offer observations and draw conclusions about the nature of influence in patron-client relationships. These findings will provide insight into whether the coercion or incentives model more accurately reflects the dominant pattern of patron-client influence. This

approach is consistent with the research method Lijphart refers to as “historical comparison” in which different historical eras in a single case are compared as case studies.¹⁸

This study attempts to identify instances of coercive pressure within each historical period by examining significant episodes of bilateral interaction within each period. If a pattern of coercive influence employed by the U.S. that successfully influences Israel’s behavior and decision making can be identified, then these findings would support the accuracy and utility of the coercion model. Coercive influence can include political, economic, military or diplomatic pressure, sanctions or threats of sanctions. Similarly, if a pattern of incentives-based influence employed by the U.S. that successfully influences Israel’s behavior and decision making can be identified, then these findings would support the accuracy and utility of the incentives model. Such incentives could include the granting of economic and military assistance, political and diplomatic support, defense assurances, and other forms of incentives.

A success criterion is used to assess whether the coercion or incentives model prevails with regard to particular influence attempts. If the use of coercion or incentives was successful in achieving the objectives of the influence attempt, then that success serves as the criterion for judging whether the coercion or incentives model is operating in that case. This criterion allows for the possibility that elements of coercion and incentives might exist in a particular case. For example, coercive influence might have

¹⁸Arend Lijphart, “Comparative Politics and the Comparative Method,” American Political Science Review 65, (Spring 1971), 691.

been employed in an influence attempt, but inducement strategies ultimately proved successful. If a pattern of influence is apparent by examining the outcomes of crucial interactions within and between the historical periods, then it is possible to draw conclusions concerning the methods and direction of influence between patron and client, and the relative utility of the competing models.

It is important to keep in mind that this study seeks to identify a pattern of influence in patron-client relations. As noted earlier, coercion and incentives are not necessarily mutually exclusive. Galtung argues it is important not to attach undue significance to negative findings, "If only perfect correlations should be permitted, social science would not have come very far."¹⁹ As Lijphart notes, "The selection of case studies and the scientific search should be aimed at probabilistic, not universal, generalizations. It is nevertheless a mistake to reject a hypothesis because one can think pretty quickly of a contrary case." He continues, "Deviant cases weaken a probabilistic hypothesis, but they can only invalidate it if they turn up in sufficient numbers to make the hypothesized relationship disappear altogether."²⁰

This study utilizes a qualitative approach for the identification and analysis of influence attempts. Several reasons suggest this approach is appropriate. As Holsti observes,

The deduction of actual influence from the quantity of potential and mobilized capabilities may in some cases give an approximation of reality, but historically there have been too many discrepancies between the basis of power and the

¹⁹Johan Galtung, Theory and Methods of Social Research (Oslo: Universitetsforlaget, 1967), 505.

²⁰Arend Lijphart, "Comparative Politics and the Comparative Method," American Political Science Review 65, (Spring 1971), 686.

amount of influence to warrant adopting this practice as a useful approach.²¹ Quantifying data pertaining to outcomes of influence attempts in patron-client relationships poses significant methodological difficulties. For example, unlike voting, where decisions can be quantified into binary options, outcomes in patron-client relationships are usually products of compromises and bargaining. A researcher might be tempted to emphasize available quantifiable data even though it may not be the most appropriate measurement tool. The existing literature offers little guidance for this task, and only a limited amount of sustained attention has been directed toward the examination of peaceful forms of pressure and influence.²² By studying outcome rather than the process, our understanding of the dynamics of patron-client relationships is incomplete. In terms of quantifying the process, due to the multiple tangible and intangible inputs (e.g., goodwill, implicit tradeoffs, etc.), and the inequality of influence resources between patron and client, the results of bargaining cannot be easily quantified and measured. Additionally, a quantitative approach cannot adequately account for the subtleties and complexity of an influence relationship.²³ While a quantitative approach could elicit statistical results that might be useful in the process of generalization, the deleterious aspects of such an approach include the diminution of the distinct characteristics of the bilateral relationship.

Another methodological dilemma concerning both qualitative and quantitative

²¹K.J. Holsti, International Politics: A Framework for Analysis, Third Edition (Englewood Cliffs, N.J.: Prentice Hall, 1977), 170.

²²Ibid., 7.

²³David Pollock, The Politics of Pressure: American Arms and Israeli Policy Since the Six Day War

studies relates to the relatively unique and specific characteristics that define a given dyadic relationship. As Moon notes, this often results in idiosyncratic descriptions and explanations as opposed to efforts to generalize across heterogeneous cases.²⁴ In order to make progress in the theory-building process, a qualitative foundation must be built that could then serve as a basis for further research. In contrast, conclusions drawn from the examination of quantitative data (such as foreign aid levels or voting in the United Nations) prior to the identification of the attributes and characteristics that contribute to specific foreign policy behavior involving influence attempts, are likely to be misleading since all foreign policy decisions are not of equal importance.²⁵ An argument can be made that United Nations voting behavior is a poor indicator of a state's foreign policy. For example, the individual foreign policies of the European Community states has at times been inconsistent with positions they have supported within the collective EC or UN. This is particularly true concerning issues related to the Arab-Israeli conflict.²⁶ Therefore, it can be argued that UN voting (particularly in the General Assembly) is more susceptible to influence than other foreign policy decisions due to the largely symbolic nature of the act. Consequently, studies that focus on UN voting as an outcome of a state's foreign policy may overemphasize the significance of this act in exchange for a more easily measured variable.

(Westport, CT: Greenwood, 1982), 6-10.

²⁴Bruce Moon, "The Foreign Policy of the Dependent State," International Studies Quarterly 27, (1983), 315-16.

²⁵K.J. Holsti, International Politics: A Framework for Analysis, 167.

²⁶The EC's Venice Declaration of June 1980, compared to the foreign policy of Great Britain at the same time, is an example of this inconsistency.

The use of a single case study in the theory-building process has been the subject of debate among scholars. This study examines a single case through the use of a framework that can then be applied to similar cases. Eckstein refers to this type of case study as a "crucial case," and he observes that it is possible for a single case study to invalidate or confirm a theory if it is strategically selected and properly applied.²⁷ One of the requirements of this test is that the theory or model must generate a prediction; if the model is valid we can expect that a specific outcome should, or should not, occur. Critics of this approach point to the hazards of generalizing from a single historical case which may be contradicted by another case. While this is a legitimate concern, measures can be taken to reduce these risks while enjoying the benefits of utilizing a single case study. By limiting the scope of the generalizability of the theory or model, the theoretical parameters are narrowed.

The patron-client framework developed in this study helps describe and explain these relationships by grouping them together as members of a class rather than as unique occurrences with idiosyncratic characteristics. This does not suggest that all members of this class are identical; rather that all patron-client relationships share at least some similar characteristics. Consequently, this approach provides a research framework suitable for the examination of other case studies.

The qualitative approach utilized in this study is consistent with Lauren's observation that,

The effort to develop explanatory generalizations via statistical analysis of a large

²⁷Harry Eckstein, "Case Study and Theory in Political Science," in F.I. Greenstein and Nelson W. Polsby, eds., Handbook of Political Science (Reading, MA: Addison-Wesley, 1975).

number of cases has proved to be more difficult than expected. On occasion, it has led investigators to rediscover and to respect the importance of the unique features of each case. Some unique qualities are inevitably lost in the process of moving from a specific to a more general description and explanation. Some loss of information and some simplification is inherent in generalization and in any effort at theory formulation. The critical question, however, is whether the loss of information and simplification entailed jeopardizes the validity of its theory and its utility. Generalizations are simply not possible if the explanation of each single case is couched in purely idiosyncratic and highly specific terms.²⁸

Finally, it is a difficult methodological proposition to definitively demonstrate that the client altered its policies to suit the patron. On this point Moon observes that,

The bargaining conception makes implicit assumptions about the foreign policy making of the dependent [client] state. It is assumed that there exists some hypothetical counter-factual foreign policy which would be preferred by the weak state in the absence of influence attempts. Determining this is a formidable problem except to say that it is assumed to conflict with the preferences of the dominant state.²⁹

This study mitigates this problem by relying on a diverse collection of primary sources, confirmed by other primary sources and secondary sources as necessary.

Case Study: Why Israel?

Previous studies of U.S.-Israel relations generally have fallen into three broad categories: historical accounts that describe the chronological development of the relationship; descriptions of specific episodes or time periods; and polemical inquiries that advocate a specific political or ideological agenda. Studies of the latter category tend

²⁸Alexander L. George, "Case Studies and Theory Development: The Method of Structured, Focused Comparison," in Paul Gordon Lauren, ed., Diplomacy: New Approaches in Theory, History, and Policy (New York: Free Press, 1979), 46.

²⁹Bruce E. Moon, "The Foreign Policy of the Dependent State," International Studies Quarterly 27, (1983), 319.

to either support or deny common national and strategic interests, or place a heavy emphasis on the "Jewish lobby" in the United States and its influence on American foreign policy. Prior to the demise of the Soviet Union, Israel's supporters attributed strategic value to Israel in opposing political and military encroachment by the Soviets in the Middle East, and for the pre-positioning of military equipment.³⁰ In this context Israel was often characterized as an "extension of NATO". However, that argument has lost validity in the post-Cold War era.

This study differs from previous efforts in both purpose and conception. Despite the attention the U.S.-Israel relationship has received, few studies have objectively and systematically explored the use of influence that is a central component of the "special relationship." Although several studies observe that an atypical influence relationship exists, few have attempted to explain its attributes and characteristics. Instead, simplistic, anecdotal explanations such as the "Jewish lobby," the "Arabists in the State Department," or the "oil lobby" have supplanted systematic, methodical analysis. Clearly, a relationship as complex as the U.S.-Israel relationship cannot be adequately explained by such overarching phrases. Additionally, many previous studies treat the U.S.-Israel relationship as unique, and fail to offer insights into what this relationship can tell us about similar relationships.

Categories are used to classify complex political interactions:

dependent/autonomous; strong/weak; core/peripheral; modern/traditional, patron/client;

³⁰See Steven L. Spiegel, "Israel as a Strategic Asset," Commentary (June 1983); Steven L. Spiegel, "U.S. Relations with Israel: The Military Benefits," Orbis 30, (Fall 1986); Jay Adams, "Assessing Israel as a Strategic Asset: A Quantitative Comparison with Other Pre-Positioning Sites," Middle East Review 14, (Autumn 1981).

etc. While these categories serve a number of functions—including typologizing and simplifying complex processes—the immediate concern in choosing a case study is to answer: “a case of what?” The selection of a case study is a necessary step to theorizing and hypothesizing prior to research, observation, and analysis. A state is selected because it is believed to be representative of a specific, broader population.³¹

As Barnett observes, the Israeli case lives an uncomfortable existence in comparative research. The challenge of classifying and categorizing Israel leads some to question the suitability of the Israeli case. Neither East nor West, developed nor undeveloped, capitalist nor socialist, Third World nor First World, there is relatively little about Israel that automatically reminds us of other countries or their historical experiences.³² This methodological suspicion did not always exist, since the case of Israel was frequently cited as a model in the development and modernization literature.³³ In these early studies, the Israeli case helped in the development of new theoretical insights. Barnett further observed that the accumulated empirical evidence suggests that what operates in the Israeli case operates elsewhere, and vice-versa. Many scholars of Israel used knowledge generated from the Israeli case to contribute to social science theory, including building theoretical and conceptual bridges between Israel and other cases.³⁴

³¹Michael N. Barnett, “The Politics of Uniqueness: The Status of the Israeli Case,” in Michael N. Barnett, Israel in Comparative Perspective (Albany: SUNY Press, 1996), 5.

³²Ibid., 3.

³³See for instance, W.W. Rostow, Stages of Economic Growth (Cambridge: Harvard University Press, 1971), Hollis Chenery, Structural Change and Development Policy (New York: Oxford University Press, 1979), and Edy Kaufman, Israel and Latin American Relations (New Brunswick: Transaction Books, 1979).

³⁴Barnett, 7.

In the theory building enterprise we recognize that that no two states are identical, and that there will always be some measure of uniqueness among different states, even those that share similar political, social, and economic systems and processes. All states are unique in how the myriad of historical, political, cultural and economic forces interact to produce distinctive structures, processes, and personalities. The interplay of domestic and international forces, and the interaction of domestic political, economic and social factors means that no two states resemble each other in their entirety or have an identical profile. The challenge in case study selection is not whether a single case is identical to any other in its totality, but rather whether there is a reasoned basis for selecting one or more cases as illustrative of the larger group.³⁵ Therefore, the criteria for selecting an appropriate case study are based upon what the chosen case has in common with other similar cases.

As Lijphart observes, the great advantage of the single case study is that the case can be intensively examined, and can provide a important contribution to the establishment of general propositions and thus to theory building in political science. This study's approach of comparing three historical periods in the U.S.-Israel relationship is consistent with Lijphart's observation that an alternative way of maximizing comparability is to analyze a single country diachronically. Such comparison of the same unit at different times generally offers a better solution to the control problem than comparison of two or more different states. Lijphart maintains that, "unless the national political system itself constitutes the unit of analysis, comparability can be enhanced by

³⁵Ibid.

focusing on intra-nation instead of inter-nation comparisons. Comparative intra-nation analysis can take advantage of the many similar national characteristics serving as controls.”³⁶

The case of Israel, and the U.S.-Israel relationship, has elements of three of Lijphart’s ideal types of case studies (according to Lijphart the types are not mutually exclusive, and a single case may fit more than one category). These three types are: hypothesis generating case study; theory-confirming and infirming case study; and deviant case study. Israel is consistent with the hypothesis generating case study because the study starts out with a notion of possible hypotheses (concerning patron-client interaction), and attempts to test them against a number of cases. The objective is to develop theoretical generalizations, and according to Lijphart such case studies are of “great theoretical value.”³⁷ Furthermore, given the development over time of the patron-client relationship between the U.S. and Israel, and the identifiable influence attempts in each of the historical periods being compared, Israel represents what Eckstein and others refer to as a “crucial case” in which certain variables of interest are present.

The use of Israel is consistent with the theory-confirming and infirming category since the analysis of patron-client interaction occurs within the framework of established generalizations (the coercion and incentives models). The case study is a test of the proposition that the incentives model offers greater utility in the description and analysis of patron-client influence, and which may be confirmed or infirmed by the case study. If

³⁶Lijphart, “Comparative Politics and the Comparative Method,” American Political Science Review 65, (Spring 1971), 689.

³⁷Ibid., 692.

the case study confirms the proposition, it is of the theory-confirming type.

Conversely, Israel also fits the category of deviant case analysis since the case can be shown to deviate from established generalizations (specifically with regard to the coercion model used in earlier studies of patron-client relationships). Consistent with the deviant case studies category, the Israeli case weakens the original proposition (the coercion model), suggests a modified proposition that may be stronger (the incentives model), and helps refine operational definitions of patron-client relationships. As Lijphart observes, this type of case study offers great theoretical value.

In the context of patron-client relationships, Israel is not unique, and has much in common with other client states. Other U.S. client states that could also be used as case studies include Egypt, Saudi Arabia, and Taiwan. Israel shares several important attributes with these states: a high degree of security threat and militarization; reliance on external sources of military and economic support and assistance; centralized political authority; post-colonial heritage; challenges to sovereignty and legitimacy (Egypt is an exception on this point); border disputes; disputes over natural resources; and challenges to national and regime legitimacy. A critical area of commonality is that all of these states rely on the United States to enhance their national security through informal security assurances, military and economic assistance and cooperation, and resource transfers. In all of these cases there is an understood, if imprecise, U.S. commitment to the security and survival of these states should their survival be threatened. In all of these cases special mechanisms have been created to manage the bilateral relationship. Additionally, the U.S.-Israel relationship has proven to be a durable relationship, which is

another feature of patron-client relations. While the relationship experiences highs and lows during the period covered in this study (as is common with all political relationships), as the patron-client relationship develops so too does a fundamental commitment by both states to maintain and, often times, to expand the relationship.

Given these important features, the U.S.-Israel case is an appropriate choice to study the politics of patron-client relationships, and for these reasons Israel is an appropriate selection as being representative of other client states.

The Patron-Client Analytical Framework, Definitions and Literature Review

The proposition that states, both weak and strong, can exercise influence over the decisions and policies of other states has long been recognized.³⁸ However, there is no uniformly accepted method for measuring influence in international politics. Answering the familiar question "How does State A get State B to do what it otherwise would not?" is fraught with methodological difficulties. There have been relatively few empirical studies that examined the influence process and the conditions under which influence is effective. Previous studies have been hampered by methodological barriers particularly with regard to demonstrating how an outcome would have differed in the absence of an influence attempt.³⁹ For example, how is it possible to know with certainty that State B did not intend to do what State A demanded from the outset? Perhaps State B was merely

³⁸For a discussion of the methodological difficulties inherent in measuring influence see David Pollock, The Politics of Pressure: American Arms and Israeli Policy Since the Six Day War (Westport, CT: Greenwood Press, 1982), 3-13. He compares the utility of a quantitative versus qualitative approach to the measurement of influence.

³⁹See J. David Singer, "Inter-Nation Influence: A Formal Model," American Political Science Review 57,

"holding out" as a bargaining tactic.

These issues return us to the central question of "who influences whom?" The asymmetry in the power capabilities, coupled with the dependence of the client on the patron, suggest that the patron should be able to exercise some measure of influence over the client's behavior. This dependence can be a function of economic and military assistance, political and diplomatic support, technology transfers, or a combination of these and other factors.

Several previous studies suggest that the opposite more closely resembles reality; that the client exercises a disproportionate amount of influence over the patron. Some attribute this to bargaining advantages enjoyed by the client due to its relatively limited scope of interests and its ability to focus its resources on those interests. For example, a superpower has global interests, which requires prioritizing interests and the assignment of resources. What might be a vital interest to a small state with regional interests may be a low priority to a superpower.

In terms of the U.S.-Israel relationship, Nachmias argues that the United States has acquired little leverage over Israel, and at times has been the captive of its client state.⁴⁰ Her point of departure is the premise that the, "client's state's dependence on its patron state will result in leverage that could then be measured and identified."⁴¹ Using arms transfers as the independent variable and the peace process as the dependent

(1963), 420-30.

⁴⁰Nitza Nachmias, Transfer of Arms, Leverage, and Peace in the Middle East (New York: Greenwood Press, 1988), 3.

⁴¹*Ibid.*, 9.

variable, she concludes that despite the considerable arms transfers and other assistance the U.S. has provided to Israel, the U.S. has been unable to convert this into leverage over Israel to make concessions in the peace process. She argues that when the United States sought to employ leverage it encountered frustrating disappointments.⁴² The weakness of Nachmias' argument is that she limits her examination of the bilateral relationship to two variables, arms transfers and the peace process.

Keohane arrives at a similar conclusion. In his study of small allies' influence on American foreign policy, he uses Pakistan, Israel, Spain, Taiwan, Iran, and the Philippines as case studies. He argues that clients exercise considerable influence over the patron, "like an elephant yoked to a team of lesser animals."⁴³ Similar to Nachmias, Keohane's observations are largely anecdotal, and his conclusions and generalizations are exaggerated.

Bar-Siman-Tov utilizes a patron-client approach as the theoretical framework for his analysis of superpower constraints on Israeli behavior during the 1956, 1967, 1970, and 1973 Arab-Israeli wars. He examines the perception and coping mechanisms of Israeli policy makers toward superpower influence attempts within the context of a cost-benefit ratio of compliance versus non-compliance. Among his conclusions is that superpower constraints were more effective in terms of war termination and limitation rather than in prevention. Bar-Siman-Tov was among the first to speak of value complexity and bargaining as central features of patron-client relations, rather than

⁴²Nachmias, Transfer of Arms, Leverage, and Peace in the Middle East, preface.

⁴³Robert O. Keohane, "The Big Influence of Small Allies," Foreign Policy 2, (Spring 1971), 161.

coercion, deterrence and compellence more commonly used to describe adversarial relationships.⁴⁴

Earlier studies that characterized patron-client relationships as a distinct group in international politics identify factors external to the relationship to explain their existence. Nachmias, Shoemaker and Spanier, and Bar-Siman-Tov were among the first to distinguish patron-client relationships from alliances. Much of their description focuses on international systemic conditions. For example, Nachmias observes that, "The structural features of the international system--bipolar, balance of power, spheres of influence--determine the nature of interaction between the patron and its client."⁴⁵

Similarly, Shoemaker and Spanier felt that,

Critical to the understanding of patron-client relationships is an examination of the global political and strategic environment of which such relationships are integral parts. An analytical understanding of such ties is wholly dependent upon an understanding of their links to the broader strategic balance.⁴⁶

While this is a logical observation of the international system that existed until 1990, it does not account for the changes that occurred following the collapse of the Soviet Union and the communist bloc. It is logical to conclude from this "linkage" argument that, at a minimum, the transition from a bipolar international system to a multipolar or unipolar system would reduce the number and importance of patron-client relationships, at least from the patron's perspective. One could argue that the end of the Cold War eliminated the rationale for the continued existence of patron-client relationships. However, the

⁴⁴Bar-Siman-Tov, Israel, The Superpowers, and the War in the Middle East, 239-46.

⁴⁵Nachmias, Transfer of Arms, Leverage, and Peace in the Middle East, 4-9.

⁴⁶Christopher C. Shoemaker and John Spanier, Patron-Client State Relationships: Multilateral Crises in

continued presence of these relationships in international politics demonstrates their durability, and that they were not merely a byproduct of superpower competition.

Bercovitch and Efrat recognized the unique character of patron-client relationships and their special dynamics. They examined the patterns of influence using the United States-Israel and Soviet Union-Syria relationships as case studies. While their approach improves our understanding of these relationships, several of their observations and conclusions are arguable. First, is their thesis that the superpowers are in relative decline and are faced with diminishing influence in their relationships with their client states.⁴⁷ While this is obviously true in terms of the demise of the Soviet Union, it does not apply to the continuing role of United States. One could make the opposite argument, namely that the demise of the Soviet Union either did not affect or increased the influence of the remaining superpower, particularly in the sphere of international security.

Second, Bercovitch concludes that patron-client state relationships in the Middle East have contributed to greater instability rather than enhanced regional stability. He observes,

Somehow the relations between the superpowers and their regional allies (some of whom can only be defined as client states) has given the latter occasions to pursue opportunistic policies and exploit their patrons in a manner that has exacerbated the relations between the superpowers and created more instability in the Middle East.⁴⁸

This conclusion minimizes the national, territorial, religious, and ethnic sources of

the Nuclear Age (New York: Praeger, 1984), 11.

⁴⁷Their argument relies heavily upon Paul Kennedy's central thesis in The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000 (New York: Random House, 1987).

⁴⁸Bercovitch and Efrat, Superpowers and Client States in the Middle East, 3.

conflict that are indigenous to the region, and that existed prior to the arrival of the superpowers. While it is reasonable to suggest that superpower competition added another dimension to the indigenous regional conflicts, it can also be argued that when conflict escalated the superpowers acted to restrain their respective clients.⁴⁹ While superpower control over their clients was far from absolute, there is little evidence to support the argument that conflict would have been reduced in their absence.

Ben-Zvi refers to a patron-client model in his study of the U.S.-Israel relationship in which he examines eight crises as case studies. He reviews the theoretical literature related to the development of a patron-client model; however, he limits himself to describing the theoretical tradition, and does not attempt to build upon the patron-client framework.⁵⁰ He attempts to elucidate the patterns of deterrence and coercive diplomacy by which the United States sought to influence Israel between 1953 and 1991, and to identify the extent to which coercion contributed to achieving the outcome preferred by the United States. Ben-Zvi concludes that beyond coercion it is essential to study inducements, or what he refers to as “positive sanctions,” as an important component of the U.S.-Israel relationship and similar relationships.⁵¹ This study builds on Ben-Zvi’s work by identifying the defining characteristics and applying the incentives model for the description and analysis of patron-client influence.

There are two other significant differences between this study and Ben-Zvi’s work.

⁴⁹American restraint on Israel at the end of the October 1973 War is one example, as is Soviet restraint on Syria following their incursion into Jordan in September 1970.

⁵⁰Abraham Ben-Zvi, The United States and Israel: The Limits of the Special Relationship (New York: Columbia University Press, 1994).

First, Ben-Zvi combines persuasion, coercion, and deterrence into one analytical group. He synthesizes previous research of these concepts, and in doing this he unnecessarily complicates the process of theory building by combining concepts that differ both in theory and practice.

Schelling, Knorr, Ikle, Snyder and Diesing were among the first to view bargaining as the central element of international behavior between sovereign states.⁵² However, their studies emphasize conflict between adversaries in which bargaining is used as a means of communication that includes the threat of force. The original contribution of these studies is that they examine the dynamics of bargaining in the new context of the nuclear era, which dramatically altered the calculus of international conflict. This literature examines bargaining and the use of influence with an emphasis on strategic deterrence, namely dissuading adversaries from launching a first-strike.⁵³

Schelling observes that in international affairs there is both cooperation and opposition. Pure conflict, in which the interests among antagonists are completely opposed, is rare.

For this reason, “winning” in a conflict does not have a strictly competitive meaning. It means gaining relative to one’s own value system; and this may be done by bargaining, by mutual accommodation, and by the avoidance of mutually damaging behavior. The possibility of mutual accommodation is as important and

⁵¹Ibid., 13-27.

⁵²Thomas C. Schelling, The Strategy of Conflict (Cambridge: Harvard University Press, 1960); Glenn H. Snyder and Paul Diesing, Conflict Among Nations: Bargaining and Decisionmaking in International Crises (Princeton: Princeton University Press, 1977); Klaus Knorr, On the Use of Military Power in the Nuclear Age (Princeton: Princeton University Press, 1966); Fred Ikle, How Nations Negotiate (New York: Harper and Row, 1964).

⁵³Paul Gordon Lauren, “Theories of Bargaining with Threats of Force: Deterrence and Coercive Diplomacy,” in Paul Gordon Lauren, ed., Diplomacy: New Approaches to History, Theory, and Policy (New York: Free Press, 1979), 187.

dramatic as the element of conflict.⁵⁴

Strategy, according to Schelling, is not only concerned with the application of force, but the exploitation of potential force, and the divisions of gains and losses between states where particular outcomes are better or worse for both claimants than certain other outcomes. He observes,

Most interesting international conflicts are not zero-sum-games but, variable-sum-games where the sum of the gains of the participants is not fixed so that more for one inexorably means less for the other. There is common interest in reaching outcomes that are mutually advantageous.⁵⁵

The terms patron and client have been used to refer to any dyadic relationship in which a donor-recipient transfer exists. The bipolycentric model of patron-client relations developed by Shoemaker and Spanier was an ambitious effort toward the development of a theoretical framework of these relationships.⁵⁶ While they acknowledge that patron-client relationships are better understood as bargaining relationships, their model stresses an international system characterized by intense superpower competition. Consequently, their conclusions rely upon assumptions that are now outdated. They present three arguments that this study refutes: that inherent incompatibility of the most basic goals exists between the patron and client; that all patron-client relationships rest upon a tenuous foundation and are inherently unstable; and finally, that patrons and clients are perpetually at odds with each other.⁵⁷ The weakness of their model is further

⁵⁴Schelling, The Strategy of Conflict, 4-5.

⁵⁵Ibid.

⁵⁶Christopher Shoemaker and John Spanier, Patron-Client State Relationships: Multilateral Crises in the Nuclear Age (New York: Praeger, 1984), 10-25.

⁵⁷Ibid., 17, 182.

highlighted by their conclusion that,

Throughout any discussion of patron-client state relationships, it is critical to view seemingly irrational and irresponsible superpower interest in, and concessions to, a smaller state in the context of acute superpower bilateral competition.⁵⁸

Furthermore, their suggestion that client states are, "scarce resources that are available to the highest superpower bidder," fails to account for the attributes that make their concept of a client state "auction" unlikely.⁵⁹ Even during the Cold War the instances of "client switch" was quite rare, and one could argue that such behavior indicated the absence of a patron-client relationship based upon the defining characteristics identified in this study.

Bercovitch and Efrat contribute to the development of a patron-client framework by narrowing the analytical scope of reference. They identify five characteristics of these relationships, and identify bargaining as the primary means of interaction as opposed to coercion.⁶⁰ They observe that a patron-client relationship is not merely a product of a relationship between states with substantial differences in power resources where a donor-recipient relationship exists. A patron-client relationship is considerably more complex than a unidimensional donor-recipient relationship, and includes characteristics and patterns of interaction which cover the gamut of bilateral interaction (i.e. political, economic, commercial, military, cultural). There are numerous examples of relationships between states of disparate power resources in which the weaker state is a recipient of military and/or economic assistance. Yet due to the absence of several other important

⁵⁸Ibid., 12.

⁵⁹Ibid.

⁶⁰Bercovitch and Efrat, Superpowers and Client States in the Middle East, 15.

attributes, the relationship can not be classified a patron-client relationship.⁶¹

This study defines a patron-client state relationship as a dyadic, voluntary, and durable association between two states of unequal power who enjoy reciprocal, although unequal, benefits from maintaining the relationship. Beyond this definition, the attributes of the patron-client framework are identified as follows:

1. Power Resources. A substantial imbalance exists in the power resources of the patron and client. This imbalance goes beyond military capabilities and also includes economic, diplomatic, and financial resources. Power potential is based on a rough estimate of the human and material resources available for power.⁶²
2. Security Capabilities. The client cannot guarantee its own security, and perceives itself to be politically and militarily vulnerable. The patron is implicitly viewed as the ultimate guarantor of the client's security, although no formal treaty commitment necessarily exists. While the client may possess capabilities that accord it the status of a regional power, it does not have the capability (or perhaps the interest) to project its power beyond its region. Clients identify their security interests in regional terms, whereas patrons have global security interests and pursue a global foreign policy. The client is dependent upon the patron for security against threats from states outside of the region, and potentially

⁶¹The relationships between the Soviet Union and India, Egypt (1955-72), and Syria (1954-91) are examples of friendly, cooperative relationships that are not patron-client relationships. In terms of U.S. foreign policy, this applies to the Latin American states (i.e. Brazil and Argentina) that were involved in the Alliance for Progress.

⁶²For a discussion of the concept of power and issues associated with its application and measurement see Karl W. Deutsch, "On the Concepts of Politics and Power," Journal of International Affairs XXI, (1967), 332-41.

from regional adversaries as well.⁶³

3. Security Environment. The client is confronted by a hostile security environment that includes an adversarial state or states with significant military capabilities. The psychological component of security plays an important role in this context. The client state requires for itself a relatively large margin of security, in part as a strategy to avoid armed conflict due to a potential miscalculation of its capabilities or intentions by its adversaries. In response, the patron must balance providing assistance for the legitimate security needs of its client, versus the potential of contributing to a regional arms race or heightened tensions by shifting the qualitative or quantitative regional balance of power.

4. Costs and Benefits. There is not an expectation of an equitable distribution of costs and benefits. The patron generally absorbs a disproportionate share of the costs of the relationship, and the client generally reaps the bulk of the benefits in political, security, and economic terms.

5. Security Transfers. Security transfers are generally the centerpiece of patron-client relationships. These transfers are predominantly unidirectional in nature, flowing from the patron to the client.⁶⁴ However, the existence of a security relationship is a necessary but not sufficient factor for the existence of a patron-client relationship.

Security transfers can be a source of influence for both the patron and client, although the patron has a far greater ability to exercise influence rather than to be influenced. The security transfers a client can offer a patron include basing and overflight

⁶³The U.S. coming to the defense of Saudi Arabia to deter a possible Iraqi invasion as part of Operation Desert Shield is an example of this.

⁶⁴Shoemaker and Spanier, Patron-Client State Relationships, 13.

privileges, prepositioning of military equipment, and intelligence sharing. For its part, the client seeks sophisticated weapons, technology, intelligence and the timely military resupply in times of war. Military equipment may be purchased from the patron, but frequently the client obtains this equipment through military assistance in the form of loans or grants.

6. Character of the Relationship. Patron-client relationships are informal in nature, rather than being codified by a formal treaty. The foundation of the relationship is derived from informal understandings, the perception of common interests and possibly ideology, and the expectation of derived benefits.

Informality can be viewed both as an asset and a liability. The extent of both parties' commitment is intentionally ambiguous, and neither state is bound by treaty or other binding commitments to any particular action, especially military intervention. Informality leaves considerable room for maneuver in terms of defining and pursuing the relationship depending upon the prevailing circumstances and interests at stake.⁶⁵

7. Durability. Patron-client relationships are durable rather than transient, and there is a mutual expectation that the relationship will remain a continuing feature of both states' foreign policy orientation. A broad national consensus exists in both the patron and client state in support of the relationship, and this support transcends political affiliation or ideology (e.g., Democrats/Republicans, Labor/Likud).

A review of the patron-client literature provides historical context for the study of these relationships. The literature of international politics is replete with definitional and

⁶⁵For a discussion of informal agreements see Charles Lipson, "Why Are Some International Agreements

conceptual disputes regarding seemingly fundamental concepts, and the patron-client literature is not an exception.⁶⁶ Following closely behind these definitional and conceptual disputes are disputes over the measurement of these concepts. For example, is power merely the sum of military, economic, diplomatic, and other capabilities? Can it be measured independently or only in relation to others, such as through the ability to influence others? Within the field of political science there are no uniform definitions for the terms patron and client.⁶⁷ Despite frequent references to relations between patrons and clients, no systematic attempt has been made to develop a durable framework of patron-client relations. This theoretical gap results in conceptual misunderstandings and disagreements over what constitutes a patron-client relationship.

Handel attributes this theoretical gap to the unequal nature of the patron-client relationship, which is contrary to the norms of international conduct.⁶⁸ He departs from the trend of focusing almost exclusively on the great powers and examines "weak states" as distinct entities in international politics.⁶⁹ While he does not discount the influence great powers have on the foreign policy of weak states, he identifies several important

Informal?" International Organization 45:4, (Autumn 1991), 495-538.

⁶⁶For example, classic definitions of the term "power" include: "the capacity of an individual, group, or nation to influence the behavior of others toward one's own ends," "man's control over the minds and actions of other men," and "the ability to prevail in conflict and overcome obstacles." See A.F.K. Organski, World Politics, Second Edition (New York: Knopf, 1968), 104; Hans Morgenthau, Politics Among Nations, Sixth Edition (New York: Knopf, 1985), 32; Karl Deutsch, The Analysis of International Relations (Englewood Cliffs, NJ: Prentice-Hall, 1967), 22.

⁶⁷For example, the term cliency is often used in comparative politics to describe a relationship quite different from the general meaning used in international politics. For a discussion of cliency in comparative politics see S.N. Eisenstadt and Rene Lemarchand, eds. Political Clientelism, Patronage, and Development (Beverly Hills, CA: Sage, 1981).

⁶⁸Michael Handel. Weak States in the International System (London: Frank Cass, 1981), 133.

distinctions that affect their behavior. This opened a new avenue of inquiry into the different forms of interaction between weak and strong states.

Given these definitional and methodological considerations, it is necessary to provide functional definitions of the terms of reference, particularly “patron,” “client,” “patron-client state relationship,” “influence,” and “influence relationship”.

A patron is defined as a state with diverse, global power resources (i.e. political, military, economic, commercial) that facilitate the pursuit of global interests and a pro-active defense and foreign policy. In strategic terms, a pro-active defense and foreign policy includes global power projection capabilities, the forward presence of power resources, and the resources to pursue global security relationships with regional allies.

A client is defined as a state with power resources and interests that limit it to the pursuit of a regional defense and foreign policy. Security is the paramount concern, and a relatively large percentage of a client state's national resources are directed toward national security. Client states seek external sources of support for specific security requirements (e.g., nuclear umbrella, military resupply, space-based reconnaissance).

A patron-client state relationship is defined as a dyadic, voluntary, and durable association between two states of unequal power that enjoy reciprocal, although unequal, benefits from maintaining the relationship.⁷⁰ The characteristics and patterns of interaction of these relationships include: a substantial imbalance in power resources; the inability of the client to guarantee its own security; an unequal distribution of costs and

⁶⁹Michael Handel, Weak States in the International System (London: Frank Cass, 1981).

⁷⁰This definition is derived from a previous definition of patron-client relationships. See Yaacov Bar-Siman-Tov, Israel, The Superpowers, and the War in the Middle East (New York: Praeger, 1987), xii.

benefits; a largely unidirectional flow of security transfers; and a relationship bound by informal understandings rather than a formal treaty.

Influence is defined as the capacity of an actor to affect the behavior of other actors, and operationally defined as the effort of an actor to change or sustain the behavior of another actor or actors.⁷¹ Influence is also the ability to change the outcome that would have likely occurred in the absence of the influence attempt. As such, influence is a means to an end, the end being a particular objective. Short of military force, influence is the currency of international politics.

The five most common forms of influence are: persuasion, the offer of rewards, the granting of rewards, the threat of punishment, and non-violent punishment.⁷² The first three are common in patron-client relationships, whereas the latter two are more commonly found in adversarial or competitive relationships.

Persuasion is the simplest and most common form of influence. This influence method involves the presentation and discussion of an alternative proposal or proposals without the promise of rewards or the threat of punishment. It occurs in all relationships in international politics, and does not necessarily result from a conflict in the states' objectives. It can also be used in situations in which a state seeks to influence a decision or outcome that would be more favorable to its interests.

The offer of rewards occurs when state A promises to provide state B with certain

⁷¹While actors are not necessarily sovereign states, this study focuses exclusively on the use of influence between states.

⁷²K.J. Holsti, International Politics: A Framework for Analysis (Englewood Cliffs, N.J.: Prentice Hall, 1977), 177.

rewards if B complies with A's wishes. Given the stable and long-term nature of patron-client relationships, there is mutual trust that the reward will be delivered at a point in time after B complies with A. It is usually not deemed necessary to codify the agreement through an explicit commitment or contract formally binding one or both sides to specific commitments. For political reasons, one or both sides may seek to avoid portraying the arrangement as an explicit quid pro quo.

The offer of rewards contrasts with the granting of rewards, which usually entails an explicit quid pro quo in which the reward or concession is granted prior to B complying with A. This more frequently occurs when issues of compliance, trust, and verification are central components of the negotiations and agreements. This was a feature of U.S.-Soviet arms control agreements in which confidence-building measures were an important element of the negotiations. The U.S. Cooperative Threat Reduction Program (also known as Nunn-Lugar Funding) to control and safeguard fissile materials in the nuclear states of the former Soviet Union, is an example of granting of rewards to achieve compliance with specific goals.

Threats of punishment can take the form of positive threats such as tariffs or recalling ambassadors, or negative threats such as withholding resources such as oil, weapons, or economic assistance. These threats can either be communicated publicly (which increases the stakes in the event of non-compliance), or privately. The primary benefit of a private rather than public threat is that it communicates the threatening state's resolve, and provides the target state room to reconsider and alter its position prior to suffering damage to its prestige that could be caused by concessions made in the face of a

direct public threat or sanction.

Non-violent punishment is the imposition of one or more of these or other non-military sanctions. When this type of punishment occurs the influence attempt has likely failed, and the punishing state is forced to carry out its threat or lose credibility. Reciprocal measures by the target state usually follow this type of sanction, thus causing damage to both sides. Additionally, this method is rarely successful as an influence attempt since both sides often become determined not to concede in this test of wills.⁷³

Offers of rewards and threats of punishment are not mutually exclusive strategies. Bargaining can rely on the use of both carrots and sticks. The Cuban missile crisis in October 1962 is an example of such an approach. The United States imposed a naval quarantine around Cuba to demonstrate its capability and resolve to the Soviets, yet ultimately granted a reward to the Soviets by implicitly agreeing to remove Jupiter missiles from Turkey as part of the crisis' resolution. Discussions of the U.S. withholding Most Favored Nation (MFN) trading status as part of an effort to influence China on the issues of arms transfers and human rights is more recent example of a carrot and stick approach.⁷⁴

The extent to which there are mutual needs between two states is an important factor in evaluating the likelihood of success or failure of bilateral influence attempts.⁷⁵ As a general rule, successful bargaining is dependent upon the mutual (although not necessarily equal) needs of the states involved. Additionally, the specific decision

⁷³Ibid., 178.

⁷⁴See Richard N. Lebow, The Art of Bargaining (Baltimore: Johns Hopkins University Press, 1996), 72.

making environment, and the relative importance of the issues at stake, are critical variables to effective bargaining. The successful use of influence requires both capabilities and their effective use. A capability is defined as any physical or mental object or quality available as an instrument of bargaining to persuade, reward, threaten, or punish.⁷⁶ The use of influence can include tactics such as compellence and deterrence.

An influence relationship is defined as a bilateral process that occurs over a period of time in which the use of influence can be identified in the actions and decisions of both actors.⁷⁷ Due to the durable, long-term nature of patron-client relationships and the multiple levels of interaction, we expect to see a variety of influence tools employed over time.

Organization of the Study

This study is organized as follows. Chapter One provides the study's conceptual and theoretical framework, and presents the research questions, objectives, methodology and hypotheses. The chapter explains the selection of the case study and reviews previous efforts at describing and explaining patron-client relations, and the past reliance on coercion models and superpower competition to explain these relationships. Finally, the defining characteristics and attributes of patron-client relationships are identified.

Chapters Two, Three, and Four divide the U.S.-Israel relationship into three

⁷⁵Ibid., 172.

⁷⁶K.J. Holsti, International Politics: A Framework for Analysis, 165.

⁷⁷An influence relationship can also be multilateral but the methodological difficulties involved in the identification and description of the use of influence are more pronounced.

periods for purposes of organization and comparison. The theoretical arguments are tested against the historical evidence at various stages of the bilateral relationship, both when a patron-client relationship existed (Chapters Three and Four) as well as prior to its development (Chapter Two). Comparing influence attempts attempt within and across these periods allows for an assessment of the central questions of whether influence was primarily coercive or persuasive during that period, who was influencing whom more, and whether the relationship was solely a dynamic of Cold War politics.

During the period examined in Chapter Two, patron-client relations do not exist. In fact, bilateral relations were “friendly but wary,” and there was virtually no resource transfer relationship and no security relationship. An experienced diplomat observed about the relationship, “Looking back across five decades, it is difficult to visualize the beginnings. For the first 20 years of Israel’s existence, in fact, the “special relationship” was hardly special at all; rather it was often quite cool and distant.”⁷⁸ Consequently, the purpose and value of Chapter Two is to provide a baseline of bilateral influence dynamics in the absence of a patron-client relationship.

The purpose of Chapter Three is to examine the dynamics of influence as the patron-client relationship gradually emerged. This chapter facilitates an examination of whether influence dynamics changed as patron-client relations developed, resource flows increased, and bilateral interpenetration increased and became more routine. Resource transfers became an important and central component of the relationship, as did the security relationship. These changes were particularly apparent in the wake of the 1967

⁷⁸ Samuel W. Lewis, “The United States and Israel: Evolution of an Unwritten Alliance,” Middle East

and 1973 Arab-Israeli wars. Consequently, this period was one of transition in the way the United States and Israel viewed each other, manifested in the scope and pattern of the bilateral relationship.

The patron-client relationship is mature and clearly identifiable during the period examined in Chapter Four (1977-91).⁷⁹ The scope of bilateral relations encompasses a wide range of political, military, and economic activity, and resource transfers and security commitments are recognized as central features of the relationship. This period is particularly rich with influence attempts related to the peace process, Israel's policies in the occupied territories, the War in Lebanon, economic and military assistance, and others. Consequently, the purpose of this chapter is to provide empirical evidence, both in absolute terms and relative to the other periods, related to the means and outcomes of influence attempts.

Chapter Five examines U.S.-Israel interaction during the Persian Gulf War. The Persian Gulf War is an important and valuable episode for this study since important national interests were at stake for both the U.S. and Israel. The U.S. committed itself politically and militarily to the expulsion of Iraq from Kuwait. For Israel, Iraq represented a substantial military threat both in terms of its conventional military capabilities and its expanding arsenal of weapons of mass destruction (WMD). Consequently, the U.S. and Israel shared a similar perception of the threat posed by Iraq,

Journal, 53:3, (Summer 1999), 365.

⁷⁹ This ending point was chosen because in that year elections in both the U.S. and Israel replaced the incumbent government. While the pattern of bilateral relations remained consistent, changes in foreign policy orientations (particularly in Israel) would have required significant elaboration and discussion beyond the scope of this study.

and shared a mutual interest in its defeat and the reduction of its war-making capabilities.

However, differences arose concerning the ways and means of pursuing the war against Iraq, and the amount of damage necessary to achieve the desired strategic and military objectives. Consequently, Chapter Five provides an excellent case study of influence dynamics between patron and client in an episode when critical national interests were at stake for both states, and when each side attempted to influence the decisions and actions of the other.

Chapter Six concludes the study by comparing the outcomes anticipated by the hypotheses to outcomes identified in the case study. This chapter also provides summary answers to the study's research questions based upon the material presented in the preceding chapters.

Chapter Two

Period I: Friendly Impartiality, 1948-1960

The first period in the U.S.-Israel relationship was characterized by Washington's efforts to balance competing interests and to avoid singular political or military responsibility for issues related to the Arab-Israeli conflict. U.S. policy was largely directed toward promoting negotiations between the parties, and mitigating the human problems associated with displaced refugees. In its effort to remain impartial, the U.S. maintained friendly but limited relations with Israel, while Israeli leaders sought to cultivate a closer relationship with Washington.

The United States, UNSCOP, and the Truman Administration

The 1947 United Nations Special Committee on Palestine (UNSCOP), and its recommendations concerning the disposition of mandatory Palestine, serve as this study's point of departure.⁸⁰ American and Soviet support for the committee's majority

⁸⁰For a review of the history of the relationship see Bernard Reich, The United States and Israel: Influence in the Special Relationship (New York: Praeger, 1984); Steven L. Spiegel, The Other Arab-Israeli Conflict (Chicago: University of Chicago Press, 1985); Daniel Schoenbaum, The United States and the State of Israel (Oxford: Oxford University Press, 1993); and Camille Mansour, Beyond Alliance: Israel in U.S. Foreign Policy (New York: Columbia University Press, 1994).

recommendation for the partition of Palestine into separate Jewish and Arab states ensured that a Jewish state would be created. The brief examination of the period from November 1947 to May 1948 that follows is designed to provide political and historical context for the decisions that were made both by the United States and Israel following the creation of the state in May 1948.

In addressing the issue of Palestine, President Truman was confronted with an array of competing interests--both foreign and domestic--with intense views on the subject.⁸¹ Among these considerations was his concern for the thousands of Jews who had survived the Holocaust; U.S. strategic interests in the Middle East, specifically containing Soviet influence and preserving U.S. relations with the Arab states; the U.S.-British relationship; domestic political factors; and divergent views within his administration and the foreign policy bureaucracy.⁸²

The significant amount of debate within the Truman administration concerning the U.S. position toward the UNSCOP recommendations (and later the recognition of Israel) has been well-documented. With few exceptions the American foreign policy bureaucracies opposed Truman's support for Zionist aspirations in Palestine. The State Department, Department of Defense, and the intelligence community argued that U.S. interests depended on friendly relations with the Arab states; relations that would be

⁸¹Truman discussed his views on the subjects of displaced persons and American support for the creation of a Jewish state in his autobiography, Memoirs II: Years of Trial and Hope (Garden City, NY: Doubleday, 1956).

⁸²For a discussion of these factors see David Schoenbaum, The United States and the State of Israel, 34-62; and Howard M. Sachar, A History of Israel: From the Rise of Zionism to Our Time (New York: Knopf, 1979), 255-57.

jeopardized and possibly sacrificed by American support for the Zionists. In a review of the situation in Palestine a month preceding the UNSCOP vote, the Central Intelligence Agency (CIA) assessed the inevitable damage to American interests should the United States support the partition plan.

To preserve the U.S. position in the Middle East and to counter Soviet infiltration political, economic, and social stability must be maintained in the area...The petroleum resources of the Middle East are vitally important to U.S. security and continuing access to those resources depends on friendly U.S. relations with the Arab people as with their governments. The former cordial relations have already been damaged by U.S. support of the UNSCOP partition plan...Even if [Arab] opposition does not result in the immediate cancellation of U.S. oil concessions in Arab lands, it will almost certainly lead to such unrest and instability that Soviet infiltration will increase and may achieve the same result.⁸³

Predicting the consequences of continued U.S. support for UNSCOP the report continued,

The U.S. may then be compelled, because of aroused sympathy on the part of the U.S. public, to take a hurried stance in favor of the Zionists. Such a stand would force even the more moderate Arabs into strong opposition to the U.S. U.S. prestige in the Moslem world, already seriously threatened, would be lost, and U.S. strategic interests would be endangered by the instability in the whole area.⁸⁴

On the eve of the vote, in an eleventh-hour attempt to dissuade the President from his course of action, the CIA, Departments of State, Army, Navy, and Air Force summarized the dire consequences that would result from Truman's decision.

The U.S., by supporting partition, has already lost much of its prestige in the Near East. In the event that partition is imposed on Palestine,

⁸³Central Intelligence Agency, "The Current Situation in Palestine," ORE-49, 20 October 1949. CIA Research Reports: The Middle East, 1946-76 (microfilm). This estimate represented the collective view of the Department of State, and the intelligence organizations of the Army, Navy, and Air Force.

⁸⁴Ibid.

the resulting conflict will seriously disturb the social, economic, and political stability of the Arab world, and U.S. commercial and strategic interests will be dangerously jeopardized.⁸⁵

With American and Soviet support the UNSCOP partition plan was adopted on 29 November 1947, by a vote of 33 to 13, with 10 abstentions.⁸⁶ The U.S. not only voted in support of the resolution, but also lobbied other states for their support.

A considerable amount of domestic political and international diplomatic activity occurred between November 1947 and May 1948 concerning the American response to the impending Zionist declaration of independence.⁸⁷ Opponents of U.S. support for Zionist objectives lobbied President Truman and his advisers, as did pro-Zionist elements both within the U.S. and abroad. Infighting within the Truman administration also continued. This debate culminated on March 19, 1948, with an announcement in the United Nations by U.S. Ambassador Warren Austin that the United States no longer favored partition, and instead recommended an international trusteeship in Palestine. An embarrassed Truman claimed that the State Department had reversed U.S. policy without his approval, and the following week he ordered that American delegates restate U.S. support for partition.⁸⁸ This reversal was inevitable due to the lack of international

⁸⁵Central Intelligence Agency, "The Consequences of the Partition of Palestine," ORE-55, 28 November 1947, CIA Research Reports, 1946-75 (microfilm).

⁸⁶See "Future Government of Palestine," General Assembly Resolution 181 (II), 29 November 1947, in Israel's Foreign Relations: Selected Documents, 1947-74, vol. 1 (Jerusalem: Ministry of Foreign Affairs, 1976), 92-110; and "Recommendations to the General Assembly," United Nations Special Committee on Palestine, A/364, 3 September 1947, in *Ibid.*, 40-76.

⁸⁷For a detailed discussion of these events see Schoenbaum, The United States and the State of Israel, 34-63.

⁸⁸Sachar, A History of Israel, 302-04.

support for the idea of trusteeship, and Truman's stated opposition to committing U.S. forces to Palestine to enforce such an arrangement.

By early May 1948 the declaration on an independent Jewish state appeared imminent. The State Department attempted to persuade the Zionists to delay the announcement, and warned that they could not withstand the Arab invasion that would surely follow. The admonitions of Assistant Secretary of State Dean Rusk included an implicit threat that if the Zionists did not delay the announcement Washington might block the transfer of funds raised by American Jewish organizations for the Zionist cause.⁸⁹ On May 4 the Zionists sent Rusk a cable in which they refused to postpone their announcement.⁹⁰

On May 8, 1948, Moshe Shertok (who changed his name to Moshe Sharrett and served as Israel's first foreign minister) met with Secretary of State George Marshall and Undersecretary of State Robert Lovett in Washington. The Americans backed away from explicit threats but advised Shertok, "If the Jews persist in their course they must not seek the help of the United States in the event of an invasion."⁹¹ Notwithstanding the American admonitions, after a lengthy meeting in Tel Aviv on May 12 the Jewish cabinet voted to proceed with the declaration of the state. This subsequently occurred on May 14, eight hours after the British officially departed from Palestine. As predicted, fighting immediately erupted.

⁸⁹Foreign Relations of the United States (FRUS). 1948, 5:2, 657.

⁹⁰FRUS, 1948, 5:2, 993.

⁹¹Sachar, A History of Israel, 310.

At a White House meeting also on May 12, Secretary of State Marshall again argued against American recognition of Israel. He was opposed by Clark Clifford, Truman's chief domestic political strategist.⁹² Truman personally favored recognition, and after lengthy deliberations decided on May 14 to extend de facto recognition to the new state. Still angered by those in the State Department who continued to publicly oppose his position Truman remarked, "I wanted to make it plain that the President of the United States, and not the second or third echelon in the State Department, is responsible for making foreign policy."⁹³

Despite the apparent finality of Truman's decision, a number of senior officials at the State Department persisted with their dissent and cited dangerous ramifications for U.S. national interests. George Kennan, the director of the Policy Planning Staff and an expert on Soviet affairs, wrote to Undersecretary Lovett:

It [recognition of Israel] threatens not only to place in jeopardy some of our most vital national interests...but to disrupt the unity of the western world and to undermine our entire policy toward the Soviet Union. This is not to mention the possibility that it may initiate a process of disintegration within the United Nations itself.⁹⁴

These were ominous predictions by the man who came to be known as the architect of containment, which served as the foundation of U.S. policy toward the Soviet Union throughout the four decades that followed.

In the months that followed Israel's independence American policy was directed at

⁹²Schoenbaum, The United States and the State of Israel, 34.

⁹³Sachar, A History of Israel, 312.

⁹⁴Schoenbaum, The United States and the State of Israel, 61.

achieving a cessation of the hostilities while avoiding singular political responsibility or military involvement. The United Nations was the preferred forum for negotiating armistice agreements and for mitigating the problems associated with the Arab refugees.

During its first year of statehood following the cessation of hostilities, Israel was preoccupied with consolidating its political and military structures and providing for its national defense. Other than arms acquisitions, which was the highest priority, the first sustained foreign policy initiative was directed at gaining membership in the United Nations. Similar to the UNSCOP partition resolution of 1947, both the United States and Soviet Union voted in favor of Israel's admission on May 11, 1949. Israel's foreign policy apparatus also sought to establish formal relations with the largest number of states possible as part of its broader effort to gain political, economic, material, and diplomatic support.⁹⁵

Attitudes toward Israel in the U.S. government remained generally negative and consistent with those expressed prior to the UNSCOP vote and the establishment of the state. Israel's foreign policy orientation, and its support for U.S. and Western interests, were questioned by individuals and agencies that sought to limit the scope of the bilateral relationship. A joint intelligence assessment in July 1949 observed:

Israel's emphasis on the ties it has developed with the US appear to be largely motivated by the tangible benefits which it has been able to obtain rather than by any basic alignment with the West. The Israeli-U.S. relationship has already become unsettled because of the implacable singlemindedness with which Israel has pursued its objectives, often in disregard of US-backed resolutions...The existence

⁹⁵Gideon Rafael, Destination Peace: Three Decades of Israeli Foreign Policy (New York: Stein and Day, 1981), 21.

of Israel poses certain problems for the US...the impact of Israel on the Near East has been a disruptive one, the effects of which are likely to persist.

The report also questioned Israel's pro-Western foreign policy orientation:

Although the present Israeli government, and probably the majority of the people, are more sympathetic to the Western than to the Soviet form of government, Israel's attitudes toward the great powers is strictly governed by self-interest. The central feature of their current policy, accordingly, is that of steering a neutral course between the US and USSR.⁹⁶

Walter Eytan, the first director-general of Israel's Ministry of Foreign Affairs, believed there was little justification for the U.S. to question or doubt Israel's pro-Western orientation. Considering two of Israel's foreign policy priorities--namely arms acquisitions (primarily from Czechoslovakia at that time due to a U.S. embargo) and the prospect of Jewish immigration from the Soviet Union--Israel could not afford to antagonize the Soviet leadership. Eytan claimed that Israeli officials explained this position privately to American officials on numerous occasions, and those in the U.S. government that harbored anti-Israeli views exaggerated relatively minor policy differences in order to bolster their pro-Arab policy preferences.⁹⁷ Eytan's recollection was corroborated by a memorandum to the National Security Council from the Secretary of Defense dated May 16, 1949, which stated that Israeli leaders privately assured American officials, "that their sympathies lie with the West," although it was necessary to take a public position of neutrality, "to facilitate the immigration to Israel of Jews now in

⁹⁶Central Intelligence Agency, "The Current Situation in Israel," ORE 68-49, 18 July 1949, Israel: National Security Files (microfilm).

⁹⁷Interview with Walter Eytan, 12 July 1990, London.

the Iron Curtain countries."⁹⁸ Despite these efforts, the 1950 Korean crisis forced Israel to abandon its position of "non-identification" vis-à-vis the Cold War. The crisis forced the member states of the United Nations to choose sides, and the gravity of the conflict eliminated the possibility of pursuing a strategy of political escapism.⁹⁹ Israeli leaders decided to cautiously support the Western position while continuing to publicly pursue a middle course.

The first attempt at U.S.-Israel strategic cooperation occurred in December 1950. Having cast its lot with the West (and the United States in particular), Israel attempted to obtain tangible benefits from this policy. In a confidential letter to Secretary of Defense George Marshall, Foreign Minister Moshe Sharrett proposed a joint effort known as Operation Stockpile. The United States was invited to preposition a strategic reserve of basic military supplies that would remain American property, but which Israel could use according to its needs. Washington's preoccupation with events in Korea, and its desire to avoid provoking the Soviets, caused the Truman administration to decline this offer.¹⁰⁰

The Eisenhower Administration

A significant shift in the U.S.-Israel relationship occurred at the beginning of Eisenhower administration that moved the relationship closer to the preferences of the

⁹⁸Foreign Relations of the United States (FRUS). 1949 (Washington, DC: Department of State), 1009-12.

⁹⁹Rafael, Destination Peace, 25.

¹⁰⁰Mansour, Beyond Alliance, 73.

defense and foreign policy bureaucracies. Unlike Truman who overruled his senior advisers in the State and Defense Departments by his support for Israel, Eisenhower's approach was based more on geopolitical and strategic considerations. Eisenhower's approach to the Middle East was a product of his calculation of the strategic location of the region and western dependence on the area's petroleum resources.¹⁰¹ Containment and deterrence of the Soviet Union were the highest priorities of U.S. defense and foreign policy, and these objectives extended into the Middle East. The president pursued a regional strategy that would prevent Soviet penetration, and that would secure key Arab states in the Western camp. The administration promoted economic development in the Arab world, and to address the humanitarian problems associated with the exodus of Arab refugees from Palestine in the wake of the 1948 war.

From the perspective of the U.S. foreign policy bureaucracy the U.S.-Israel relationship was viewed more as a burden and hindrance to U.S. Middle East policy than an asset.¹⁰² Eisenhower's approach to the Arab-Israeli conflict was aimed at achieving a negotiated settlement that would serve the cause of stability in the region. Stability, containment of the Soviet Union, and the reversal of several "unfavorable trends", were the highest priorities of U.S. Middle East policy.¹⁰³ Initially, the Eisenhower administration took a tougher approach in its relations with Israel, demonstrated in

¹⁰¹For a detailed review of this period see Isaac Alteras, Eisenhower and Israel (Gainesville: University of Florida Press, 1993).

¹⁰²Alteras, Eisenhower and Israel, xii.

¹⁰³National Security Council, "United States Objectives and Policies with Respect to the Near East," NSC Document 155/1, 14 July 1953, FRUS, 1952-1954, 400.

September 1953 when the United States suspended economic assistance as part of an effort to compel Israel to cease its Jordan River water diversion project. Israel continued with the project despite the U.S. sanctions.

Eventually, the policy of "friendly impartiality" faced practical difficulties beyond the political debate it generated. It remained to be seen whether this policy would effectively limit Soviet penetration into the region, particularly since the administration refused to reverse the U.S. position in support of the existence of Israel (a litmus test among some Arab regimes). To this possibility Dulles replied, "We must make the Arabs realize that we accept the State of Israel as a fact and that any thought of turning back the pages of history is totally unrealistic."¹⁰⁴

John Foster Dulles was the first Secretary of State to visit the Middle East. Following a three week visit in May 1953 he reported to Eisenhower that, "in general western prestige was very low," but that, "we could regain our lost influence if we made a real effort." The President responded that, "There should be a quick follow-up to remove the causes of Arab hostility."¹⁰⁵ Dulles later reported to the nation via television and radio about his trip and the President's views. In explaining U.S. Middle East policy he emphasized the demographic realities of the region, its natural resources, strategic geography, and religious history. Drawing a parallel to China's fall to the communists Dulles warned, "There could be equally dangerous developments in the Near East and

¹⁰⁴FRUS, 1952-1954, vol. 9, 2.

¹⁰⁵Schoenbaum, The United States and the State of Israel, 91.

South Asia."¹⁰⁶

Israeli leaders reacted to Dulles' statements with concern and dismay. American officials sought to allay Israeli concerns by pointing out that their approach for resolving the Arab-Israeli conflict was consistent with the previous administration's. Specifically, Israeli officials objected to senior members of the Eisenhower administration paying public deference to Arab resentment of Israel's existence or fears of Zionist expansionism. They argued that at a minimum such an attitude would be interpreted as a shift in U.S. policy, and this would make reaching a political settlement even more difficult.¹⁰⁷ These differences of opinion contributed to a period of strained relations in the bilateral relationship.

Other factors also contributed to tension in the bilateral relationship. Border raids and reprisals between Israel and Jordan were occurring with increasing regularity during 1953-54. David Ben-Gurion, Israel's first prime minister, ordered the formation of a special commando unit (known as Unit 101) to respond to cross-border attacks. The unit was commanded by a young, brash officer, Major Ariel (Arik) Sharon. On October 14, 1953, in response to a grenade attack the previous evening, Unit 101 carried out a night assault on the Jordanian village of Kibya. The assault resulted in 66 Arab deaths, the destruction of 42 houses, a school, and a mosque. This represented the bloodiest incident of border warfare since 1948.¹⁰⁸

¹⁰⁶Department of State Bulletin, 15 June 1953, 831-35.

¹⁰⁷FRUS, 1952-1954, vol. 9, 1348-53.

¹⁰⁸Report by Talcott Seelye to the Department of State from the American embassy in Amman, Jordan.

The American reaction was swift and harsh. The State Department issued a formal protest in which it described the attack as "shocking" and demanded that, "those responsible be brought to account and that effective measures should be taken to prevent such incidents in the future."¹⁰⁹ Israel replied that the attack was organized and conducted by civilians who lived along the border and who had been the victims of repeated armed incursions from Jordan. The accuracy of this claim was quickly undermined by the facts, and by division within the Israeli leadership concerning the wisdom of the operation and the subsequent fiction used in an attempt to conceal the truth. Israeli diplomats in New York and Washington, who had been working to foster closer relations with the United States, believed this episode badly damaged their efforts.¹¹⁰ In their view an increase in tension in the Arab-Israeli conflict reduced the likelihood that the United States would take any action that would be interpreted by the Arab states as improving its relationship with Israel. Both the United States and the United Nations condemned the events in Kibya, and this damaged Israel's reputation in international public opinion at a time when Israel was seeking to expand its circle of friends and supporters in the international community.

In 1954, in the wake of the U.S.-led effort to formulate a "Northern Tier" mutual

19 October 1953, FRUS, vol. 9, part 1, 1358-59.

¹⁰⁹FRUS, vol. 9, part 1, 1126-28.

¹¹⁰Moshe Sharrett, Yoman Ishi (Personal Diary) (Tel Aviv: Sifriyat Ma'ariv, 1978), 39-51. Sharrett repeatedly urged Ben-Gurion to pursue a more moderate approach. Following the raid he told Ben-Gurion, "I must underline that when I opposed the action I didn't even remotely suspect such a blood bath." Concerning the suggested cover-up Sharrett argued that, "None in the world will believe such a story and we shall only expose ourselves as liars."

defense agreement with Pakistan and Turkey (that later included Iran, Iraq, and Britain in what became known as the Baghdad Pact), Israel appealed to the United States, Britain, and France to be included in the Western defense system through NATO or by some other agreement. This effort failed, which led Israel to publicly request negotiations toward a bilateral defense treaty with the U.S. Secretary of State Dulles declined this request, citing a number of reasons for the U.S. decision.¹¹¹

American hopes to achieve stability in the region (and to avoid an Arab-Israeli arms race) were dashed in September 1955 with the announcement of the Czech-Egypt arms deal. The Soviets, through Czechoslovakia, sought to undermine the Western-led Baghdad Pact through massive arms transfers to Egypt. The deal bolstered the prestige of Gamal Nasser who positioned himself as the leader of a pan-Arab nationalist movement. The arms deal included 120 MiG jet fighters, 50 bombers, 200 tanks, 150 artillery pieces, 20 transport planes, 2 destroyers, 2 submarines, 15 minesweepers, and other vehicles, machine guns, rifles, and ammunition of quantity and quality previously unseen in the region.¹¹² The sale undermined the 1950 Tripartite Declaration, which sought to control the flow of arms into the region and to limit the scope of any Arab-Israeli military conflagration. The arms deal also undermined two other elements of that policy: it dramatically altered the balance of power between the Arab states and Israel; and it tested the diplomatic and security commitment of the Western powers to come to Israel's

¹¹¹For a discussion of these factors see Alteras, Eisenhower and Israel, 128.

¹¹²For a discussion of the arms deal and its implications see two studies by Nadav Safran, Israel: The Embattled Ally (Cambridge: Harvard University Press, 1978), 351-53, and From War to War: The Arab-Israeli Confrontation, 1948-1967 (New York: Pegasus, 1969), 49-51.

defense in response to the Soviet provocation.

In October 1955 Israel requested arms sales from the U.S. to counterbalance the Soviet arms transfers.¹¹³ The Eisenhower administration assured Israel that its request would receive "sympathetic consideration." Four months later in testimony before the Senate Foreign Relations Committee, Secretary Dulles argued that Israel should rely on the collective security offered by the United Nations rather than any specific bilateral security guarantee or the prospect of new arms transfers.¹¹⁴ The American rejection of Israel's request exacerbated the tensions that already existed in the bilateral relationship. Although the administration refused to supply Israel with the weapons it requested, senior officials encouraged their Israeli counterparts to look to France and Britain where they believed military supplies of similar quality and quantity could be obtained. The combination of the Czech-Egypt arms deal, Nasser's heated rhetoric and rising prestige in the Arab world, a sense of insecurity and vulnerability among Israeli leaders, and the western powers' lack of a coherent response toward these circumstances, all contributed to a spiral toward the armed conflict that occurred in November 1956.¹¹⁵

The withdrawal of foreign forces from Egypt in 1957 brought the Suez crisis to an end, and the Eisenhower administration began to reassess its policy toward the Middle East. Eisenhower concluded that the Soviet Union was conducting an assault upon

¹¹³ Abba Eban, An Autobiography (New York: Random House, 1977), 184.

¹¹⁴ Safran, From War to War, 50.

¹¹⁵ The Suez crisis will be discussed later in this chapter.

American interests in the region using Egypt as its proxy.¹¹⁶ This assessment, combined with the waning of British and French political influence and military presence in the region, led to the Eisenhower Doctrine which was announced in January 1957 and affirmed by Congress two months later. The doctrine consisted of three main points and implicitly identified a number of Middle Eastern states (Iran, Iraq, Jordan, Lebanon, Saudi Arabia, and Israel) as belonging to the western camp. The three points were: the commitment of U.S. military force to assist any nation in the Middle East requesting aid against internal subversion or armed aggression from any country controlled by international communism; U.S. economic assistance free from the usual limitations imposed by Congress in the Mutual Security Act for special military and economic projects in the Middle East; and an offer of \$120 million in military and economic assistance to all states in the region that subscribed to the doctrine.¹¹⁷

Between 1957-60 U.S. policy gradually shifted to accommodate an improving U.S.-Israel relationship. This was due, at least in part, to the recognition that the policy of “friendly impartiality” had failed to achieve its objectives. American and Israeli interests and policy perspectives began to converge in their concern for the integrity of Middle Eastern states that were threatened by the Soviet Union and its regional ally, Gamal Nasser. Countering communist penetration and the subversion of pro-Western regimes became the highest priority for Washington, and it was believed that a solution to the

¹¹⁶Safran, From War to War, 113.

¹¹⁷Eisenhower, Waging Peace, 180-83.

Arab-Israeli conflict would be facilitated by achieving the first objective.¹¹⁸ Despite American political and diplomatic efforts to prevent an Egyptian military debacle at the hands of Britain, France, and Israel in 1956, it became clear to Washington that Nasser was solidly in the Soviet sphere. In terms of inter-Arab politics Nasser had become the primary source of anti-western influence. His actions undermined the three interests upon which the United States had placed the highest priority: preventing Soviet penetration into the region; preventing an Arab-Israeli arms race; and stabilizing the armistice agreements while pursuing a negotiated settlement to the Arab-Israeli conflict.¹¹⁹

The inclusion of Israel in the Eisenhower Doctrine marked a clear departure from earlier U.S. policy of official detachment from Israel. Some U.S. officials began to consider in light of its performance in the 1956 War and its proven battlefield capabilities, whether Israel might hold some strategic and geopolitical value. A January 1958 National Security Council memorandum concluded that the "logical corollary" of opposition to radical Arab nationalism, "would be to support Israel as the only strong pro-West power left in the Near East." Dulles similarly observed that a strong Israel could restrict Nasser's freedom of action.¹²⁰ The events of 1956 also demonstrated to the U.S. that Israel had the capability and willingness to take decisive military action to advance its national interests. Although the substantial American pressure used to compel Israel to withdraw from Egyptian territory strained the bilateral relationship for a period of time,

¹¹⁸Alteras, Eisenhower and Israel, 302-04.

¹¹⁹Ibid.

¹²⁰Eban, An Autobiography, 263.

the withdrawal of Israeli troops and subsequent U.S. assurances concerning freedom of navigation and the placement of the United Nations Emergency Force in Sinai gradually helped stabilize relations.

The political significance of the public association between the United States and Israel brought about by the Eisenhower Doctrine was that for the first time the United States included Israel in a U.S.-led political alignment. This marked the beginning of a new era in the bilateral relationship; an era in which the relationship assumed more tangible political, economic, and military components. This included the prospect of Israel as part of a "periphery alliance" with the United States along with Turkey, Iran, and Ethiopia. This formula coincided with Israel's efforts to develop relationships with non-Arab states on the periphery of the Arab world. Ben-Gurion wrote to Eisenhower:

Our object is the creation of a group of countries not necessarily a formal public alliance, that will be able to stand up steadfastly against Soviet expansion through Nasser...We can carry out the mission since it is a vital necessity for us as well as a source of perceptible strength to the West in this part of the world.¹²¹

As part of this undertaking Israel requested U.S. political, military, and financial support under the framework of the Eisenhower Doctrine. Events in the Middle East in 1958, specifically the military coup in Iraq, the formation of the United Arab Republic, and western intervention in Jordan and Lebanon, created an environment that Israeli officials believed could be leveraged to foster closer U.S.-Israel relations.¹²² The new, closer relationship that was emerging was identifiable by the public statements of senior U.S.

¹²¹Bar-Zohar, Ben Gurion: A Biography, 263.

¹²²For a discussion of these events see Safran, Israel: The Embattled Ally, 359-66.

officials. In a departure from previous American policy, Secretary of State Dulles assured Israel's ambassador that:

The President has decided based on congressional resolution [the Eisenhower Doctrine] that if Israel would be attacked by the Soviet Union, the United States would come to Israel's assistance...the Soviet Union is well aware of that fact. The United States is committed to Israel's existence and would fight for her should an attack by the Soviet Union compel her to do so.¹²³

This commitment represented a significant departure from the early years of the first Eisenhower administration when Dulles viewed Israel as a hindrance to U.S. policy in the Middle East, and sought to distance the U.S. from any public commitment to Israel's defense.

Military Sales and Assistance

Israel's requests for military sales from the United States during this period were met by repeated denials, and this characterized the military assistance relationship during this period (1948-60). During the entire period, U.S. military assistance was limited to a \$900,000 loan at the end of the Eisenhower administration that was split over two years for the purchase of military equipment under the Mutual Security Act (see Table 2-1).¹²⁴

As part of an effort to stabilize the situation in Palestine, or at least limit the level of conflict, in December 1947 the United States placed an embargo on arms shipments to the Middle East. A State Department memorandum of January 1948 argued that it was,

¹²³Alteras, Eisenhower and Israel, 312.

¹²⁴A distinction is drawn between direct military sales and military assistance under the U.S. Military Assistance Program (MAP). Direct sales are not included in MAP statistics.

"against American interests to supply arms to the Jews while...embargoing arms to the Arabs."¹²⁵ Consequently, Israel purchased military equipment from other sources, particularly Czechoslovakia. A number of factors contributed to the U.S. decision not to provide military assistance to Israel for the vast majority of the period from 1948-60. These factors included: the desire to avert a regional arms race; concern for its relations with the Arab states; division of opinion within the U.S. government; preoccupation with containment of the Soviet Union and later with events on the Korean peninsula; and an effort to avoid a provocation that would facilitate Soviet penetration into the region in response to Western (particularly U.S.) arms transfers.

By 1949, some within the U.S. defense establishment began to consider the potential strategic value of Israel in the event of a military confrontation with the Soviet Union in the Middle East. These analyses were largely based on Israel's geographic position in the Eastern Mediterranean where, "air installations would be most useful in the interdiction of the lines of communication from the USSR to the Middle East oil resources with medium and short-range aircraft."¹²⁶ In an assessment of the potential contribution of Israeli forces the memorandum observed, "Should Israel ally herself with the western democracies in the event of war with the USSR, full advantage could be taken of defensive positions in that country and of Israel's forces for the defense of the

¹²⁵Mordechai Gazit, "Israeli Military Procurement," in Gabriel Sheffer, ed., Dynamics of Dependence: U.S.-Israeli Relations (Boulder, CO: Westview, 1987), 86.

¹²⁶Memorandum from the Secretary of Defense to the National Security Council, 16 May 1949, FRUS, 1949, 1012.

Cairo-Suez area and for land operations to recapture the Middle Eastern oil facilities." ¹²⁷

However, the memorandum concluded with a more guarded observation that, "Israel may become a danger or an asset depending upon the nature of her future relations with Soviets and the Western democracies." ¹²⁸

The intelligence community offered a less favorable analysis:

Although Israel is more closely tied to the US than to any other foreign power and territorially and otherwise might be of considerable strategic value in time of war, Israel's present policies make it difficult to assume that Israel would cooperate with the US in time of war or that its territory could be utilized even if such cooperation were intended. Meanwhile, the impact of Israel on the Middle East has been a disruptive one, the effects of which are likely to persist. ¹²⁹

Attitudes changed slowly within the U.S. government, and largely in response to the realities on the ground. In 1949 the Joint Chiefs of Staff observed that, "by force of arms Israel has demonstrated its right to be considered the military power next after Turkey," and considered the inclusion of Israel into a U.S.-led Middle East defense organization. ¹³⁰ In August 1949, the U.S. reaffirmed its intention to limit sales of sophisticated weapons to the Middle East with the exception of, "such arms as are within the scope of legitimate security requirements." Despite the lifting of the embargo this

¹²⁷Ibid.

¹²⁸Ibid.

¹²⁹Central Intelligence Agency, "The Current Situation in Israel," ORE 68-49, 18 July 1949, Israel: National Security Files (microfilm).

¹³⁰Memorandum of 7 August 1949, Records of the JCS, 1946-53, part 2, Middle East (microfilm); and Central Intelligence Agency, "Prospects for an Inclusive Middle East Defense Organization," SE-23, 17 March 1952, CIA Research Reports: 1946-75 (microfilm). The consensus opinion was that it was politically impractical to include Israel in such an organization.

policy resulted in severe restrictions that remained in place for the next decade, and there were no transfers of major weapons systems from the United States to Israel during that period.¹³¹ The arms restriction policy was reaffirmed in May 25, 1950, by the Tripartite Declaration in which the United States, Britain and France agreed to regulate the supply of weapons to the region and limit sales to legitimate self-defense requirements. The objective of this policy was to stabilize the armistice agreements and avoid an arms race.¹³² Additionally, the western powers were concerned that if they flooded the Middle East with weapons this would trigger a Soviet response. In May 1950, just days before the Tripartite Declaration was announced, President Truman approved a report by the National Security Council that recommended, "sympathetic consideration [be given] to Israel's application for export licenses for defensive military equipment sufficient to discourage attack from beyond its borders."¹³³ Truman's decision was, in part, a response to Israeli protests concerning military transfers from Britain to Egypt. In addition to other objectives, the Tripartite Declaration was intended to stop this arms spiral and preempt further debate on the issue.

Israel's attempts to obtain military assistance and material from the United States

¹³¹Some licenses were granted for the export of surplus military items available on the open market provided the items could be defined as possessing "low military potential". The only significant exception was the sale of 100 recoilless guns in 1958 and a radar system in 1960. Mordechai Gazit, "Israeli Military Procurement," in Sheffer, ed., Dynamics of Dependence, 84.

¹³²"Tripartite Declaration Regarding Security in the Near East," 25 May 1950, in Israel's Foreign Relations, 1947-74, vol. 1 (Jerusalem: Ministry of Foreign Affairs, 1976), 213.

¹³³National Security Council, Report 65/3, 19 May 1950, FRUS, 1950, 166.

from 1951-58 can be summarized as a series of requests and denials.¹³⁴ The Eisenhower administration informed Israel on numerous occasions that it did not wish to become the primary supplier of arms to the region. The administration encouraged Israel to purchase its weapons from European sources, particularly France and Britain. This continued to be U.S. policy even after the Czech-Egyptian arms sale of 1955. Only after the Eisenhower Doctrine, and a series of events in 1958 that threatened American interests in the region, did the administration begin limited sales of military equipment to Israel which it had already provided to other Arab states (specifically Jordan). Instead of direct arms sales the United States agreed to secretly provide financing for Israel to purchase tanks from Britain.¹³⁵ Although the changes that occurred in U.S. arms sales policy during the last two years of the Eisenhower administration represented a significant shift from earlier policy, the change was not so dramatic that it overshadowed the U.S. refusal to supply Israel with arms from 1951-58. However, by the end of the Eisenhower administration it had become clear that due to Soviet arms transfers and related regional developments (particularly the formation of the United Arab Republic) the United States would have to intervene in order to maintain an arms balance between the Arab states and Israel.

Economic Assistance

During the early years of Israel's independence the state's economic resources

¹³⁴For a review of arms acquisition efforts and Israel's pursuit of a bilateral defense treaty during the Eisenhower administration see Alteras, Eisenhower and Israel, 126-56.

¹³⁵Alteras, Eisenhower and Israel, 313.

were directed toward three tasks: providing for the national defense; providing housing, education, employment and the social services necessary for the absorption of new immigrants; and the development of the state's infrastructure (see Table 2-2). The limited resources of the central government could not meet all of these demands, and the influx of substantial amounts of foreign capital became vital in order for the state to achieve economic viability. Speaking to the Knesset in February 1952 Prime Minister David Ben-Gurion said:

The projects of immigration, security, and development have called for enormous resources, and will call for more...The government regarded it as essential to mobilize capital from overseas to close the gap between imports and exports. This gap is caused by three factors: the security needs of our country, the expenditures for organizing and developing a new state must incur, and the assimilation of hundreds of thousands of immigrants.¹³⁶

The four primary sources of foreign capital were: official American assistance, philanthropy (United Jewish Appeal), private investment (Israel Bonds), and German reparations.¹³⁷ In addition to official assistance, the United States was viewed as the primary potential source for philanthropic fund-raising and foreign investment (see Table 2-3). Securing an influx of foreign capital was essential for sustaining economic development, and helped mitigate deficits in Israel's balance of payments and trade.¹³⁸

¹³⁶Marver Bernstein, The Politics of Israel (Princeton: Princeton University Press, 1957), 210.

¹³⁷The issue and impact of German reparations is beyond the scope of this study and will not be addressed here. For a discussion of the political, economic, and moral aspects of this debate see Ronald Zweig, German Reparations and the Jewish World (Boulder, CO: Westview, 1987) and Nicholas Balabkins, West German Reparations to Israel (New Brunswick, NJ: Transaction Books, 1971).

¹³⁸For a discussion of the role of foreign capital in economic development see David Horowitz, The Economics of Israel (New York: Pergamon Press, 1967), 119-62.

The relationship between Israel's economic needs and its foreign policy orientation has been the subject of some debate. Some have argued that dependence on American economic support influenced Israeli foreign policy, particularly after the 1950 Korean crisis. Israeli officials have admitted that Israel's dependence on funds from public and private sources in the United States required the maintenance of friendly relations in the hope of maximizing external assistance. A Ministry of Foreign Affairs official remarked in 1960, "Aid and arms are the two main concerns of Israel in the international arena--in that order."¹³⁹ Another senior diplomat described Israel's alignment with the West as being motivated until 1955 by the economic aid factor. "The shift from non-identification to identification with the United States in 1950 was motivated primarily by the fear of aid being seriously reduced, both from the U.S. government and American Jews who disliked neutralism."¹⁴⁰

The decision by the Truman administration to provide economic assistance was motivated by political considerations, however, the framework and objectives of assistance were humanitarian relief and economic development. From 1948-60, U.S. economic assistance to Israel totaled \$787 million. During 1948-49 this assistance took the form of \$135 million in loans from the Export-Import Bank, and \$86 million in economic assistance grants. Approximately half of these funds were used for agricultural development, and half for the development of industry and the national infrastructure.

¹³⁹Michael Brecher, The Foreign Policy System of Israel: Settings, Images, Process (New Haven: Yale University Press, 1972), 110-11.

¹⁴⁰*Ibid.*

Under the Mutual Security Act between 1953-60 assistance in the form of grants-in-aid and technical assistance totaled \$508 million; half of this was in the form of loans and the other half in grants. This financial and technical assistance was consistent with the Eisenhower administration's policy of offering economic aid to developing states under the Food for Peace and related international development programs.¹⁴¹ The Food for Peace program helped alleviate food shortages of the early 1950s that were serious enough for the government to implement food rationing quotas. The loan portion of this assistance was repayable in Israeli currency, most of which was reinvested in the Israeli economy. Similarly, in 1955 a program of developmental loans linked to specific projects was initiated and maintained until the early 1970s.¹⁴²

Bilateral Trade

From 1949 to 1992 Israel experienced continuous deficits both in terms of its balance of payments and balance of trade.¹⁴³ These deficits were mitigated by the influx of capital from world Jewry, German reparations, and later by U.S. economic assistance. Although deficits in balance of payments and balance of trade are not uncommon among developing states, Israel's geopolitical and demographic circumstances were somewhat unique. The absence of raw materials, high defense expenditures, and the massive, rapid

¹⁴¹U.S. Overseas Loans and Grants, July 1, 1945--September 30, 1986, Office of Planning and Budgeting, Agency for International Development, Report to Congress No. CONG-R-0105.

¹⁴²Leopold Laufer, "U.S. Aid to Israel," in Sheffer, ed., Dynamics of Dependence, 130.

¹⁴³For a discussion of Israel's economic development during this period see Nadav Halevi and Ruth Klinov-Malul, The Economic Development of Israel (New York: Praeger, 1968); and David Horowitz,

influx of immigrants presented demands that could not be met by the available economic resources.

During the period of 1948-60, domestic consumption substantially outpaced production which increased Israel's dependence on imports. In 1949, the import to export ratio was roughly 9:1, but by the end of 1955 this was reduced to 4:1. The expanding economy gradually increased production and exports, and by 1960 the trade deficit was reduced to a 2:1 ratio.¹⁴⁴ During this period (and subsequent periods) the two largest export categories were citrus and polished diamonds, which combined accounted for roughly eighty percent of all exports.¹⁴⁵

From 1949 to 1956 about sixty percent of Israel's exports were received by four states: the United States, Britain, Turkey and Finland. Despite higher costs, Israel was forced to develop trade relationships with relatively distant markets due to the absence of regional trade as a result of the Arab boycott. Markets were gradually developed with states on the periphery of the Arab world, notably Iran and Turkey. However, western Europe, Canada and the United States were Israel's primary trading partners during this period.¹⁴⁶

The United States was Israel's largest source of imports from 1949 to 1960, and

The Enigma of Economic Growth: A Case Study of Israel (New York: Praeger, 1972).

¹⁴⁴Bernstein, The Politics of Israel, 219-21.

¹⁴⁵Citrus and diamonds declined as a percentage of total exports to around fifty percent in the decade which followed. This was largely due to an export diversification program. See Halevi and Klinov-Malul, The Economic Development of Israel, 149.

¹⁴⁶After 1956 exports to Turkey and Finland declined due to political and marketing difficulties.

American imports accounted for between 30.3 to 44.8 percent of all imports annually (see Table 2-4). The U.S. share of the import market declined after 1953 with the inflow of German reparations and increased trade with western Europe. Exports to the U.S. remained relatively consistent during this period, although they gradually declined as western Europe emerged as the primary destination for Israel's exports. From 1950 to 1953 exports to the U.S. averaged about 24 percent of total Israeli exports, and from 1954 to 1960 this dropped to about 16 percent annually. However, the trade imbalance with the U.S. was not a traditional trade deficit since the terms of Export-Import Bank loans and grants required that goods be purchased in the United States.

The 1956 Suez Crisis

The bilateral interaction during the Suez crisis, and influence attempts by both the U.S. and Israel, represented the most important episode to that point in the U.S.-Israel relationship.¹⁴⁷ The four month diplomatic struggle that culminated in Israel's withdrawal from Sinai illustrated the use of political and economic coercion by the United States to compel Israel to comply with American demands.

American intelligence detected Israel's partial mobilization on October 17, 1956, and the general mobilization that followed on October 26. According to a report provided to a congressional delegation at the White House on November 9:

The situation became so critical that certain diplomatic steps were

¹⁴⁷For a general history and three personal accounts see Donald Neff, Warriors at Suez (New York: Simon and Schuster, 1981); Moshe Dayan, Diary of the Sinai Campaign (Jerusalem: Steimatzky, 1966); Selwyn Lloyd, Suez 1956: A Personal Account (New York: Mayflower, 1978); Anthony Eden, The Suez Crisis of 1956 (Boston: Beacon Press, 1968).

taken by the United States to stop what appeared to be an imminent war, before Israel moved into the Sinai Peninsula on October 29. The information with regard to British, French, and Israeli preparatory action and probable intentions was obtained through intelligence sources by various agencies of the government. The intelligence community estimated the approximate time and place of the Israeli attack well before the attack was made.¹⁴⁸

Israeli leaders were concerned with the prospect of a negative American reaction to a military assault against Egypt, and raised this concern with their French allies.¹⁴⁹ Anticipating American opposition, Israeli leaders concealed their military plans from the United States, and relied on Britain and France--America's NATO allies--to lessen the brunt of an American response and to help shield Israel from political consequences. Ben-Gurion recognized the likelihood of American pressure being brought to bear upon Israel to force a withdrawal. In seeking approval for the military action Ben-Gurion admitted, "I do not know what will be the fate of Sinai. I imagine that there will be powers who will force us to withdraw...I must say that I fear America most of all. America may compel us to withdraw from positions we will occupy."¹⁵⁰ The pressure ultimately brought to bear upon Israel demonstrated that France and Britain were not able to act as a buffer between Washington and Tel Aviv.¹⁵¹

Despite their reservations, Israel's leaders launched an assault on Egyptian forces

¹⁴⁸"Status Report on the Near East," given by the Director of Central Intelligence at the White House to a bipartisan congressional group, 9 November 1956, OCI No. 539, CIA Research Reports: The Middle East, 1946-1976. (microfilm).

¹⁴⁹Moshe Dayan, Story of My Life (New York: Morrow, 1976), 157.

¹⁵⁰Sachar, A History of Israel, 494.

¹⁵¹Mansour, Beyond Alliance, 78.

in Sinai on October 29, 1956, in cooperation with France and Britain. Within a week the IDF lifted the Egyptian siege of the Gulf of Aqaba at Sharm el-Sheikh. Eisenhower perceived the Israeli action as a preface for an assault upon Jordan; a suspicion which the Israelis did nothing to discourage. Prior to the onset of hostilities in Sinai, Eisenhower did not recognize that his Tripartite Declaration partners were part of this conspiracy.¹⁵² Had Israel acted alone, Eisenhower felt he would have had greater freedom of action in his response, possibly including a blockade. However, as the British and French role became clear his range of options was more limited. Eisenhower was appalled to have been deceived by his closest allies, and thought their precipitous actions invited greater Soviet intervention in support of Nasser.¹⁵³

Eisenhower was outraged that Ben-Gurion would undertake such an action on the eve of a U.S. election.¹⁵⁴ The President concluded that Ben-Gurion had calculated that the administration would be preoccupied with the upcoming elections, and the political turmoil in Poland and Hungary. Anticipating the intervention of American Jews on Israel's behalf the President recalled that he, "gave strict orders to the State Department that they should inform Israel that we would handle our affairs exactly as though we didn't have a Jew in America."¹⁵⁵ Dulles threatened financial sanctions against Israel, and in a draft of a Security Council resolution Israel was identified as the sole aggressor. The

¹⁵²FRUS, 1955-1957, vol. 16, Suez Crisis, July 26-December 31, 1956, 833-39.

¹⁵³Ibid., 849.

¹⁵⁴Rafael, Destination Peace, 59.

¹⁵⁵Schoenbaum, The United States and the State of Israel, 115.

resolution also called upon all member states to suspend military and economic assistance until Israeli forces had withdrawn from Sinai.¹⁵⁶

In the days that followed the initial American response all sides practiced damage control. The Eisenhower administration recognized that little could be gained by a diplomatic assault on its NATO allies, particularly in association with Nasser and Khrushchev. On October 29 Eisenhower's democratic opponent, Adlai Stevenson, pointed to America's alignment with the Soviet Union against its NATO allies as a dramatic failure of American foreign policy. The following day Sherman Adams, Eisenhower's chief of staff, sent a message to Ben-Gurion that conveyed the President's desire to abstain from any condemnation of Israel. In exchange he sought a commitment from Israel to withdraw to the pre-war boundaries. Extending a carrot, the President made reference to Israel's repeated requests for military sales and security agreements and observed, "The fact is that Israel's power and future are in fact bound up with the United States."¹⁵⁷

In response to Eisenhower's actions, Israeli officials attempted to protect Israel's image in American public opinion, which was both confused and ambivalent.¹⁵⁸ This held true of American Jews as well. For the first time Israel's emissaries encountered

¹⁵⁶FRUS, 1955-1957, vol. 16, 885. The resolution which was presented to the Security Council also condemned Britain and France by implication. For a discussion of the political calculations of Eisenhower, Dulles, and Vice-President Nixon see Neff, Warriors at Suez, 365.

¹⁵⁷Eban, An Autobiography, 217.

¹⁵⁸Schoenbaum, The United States and the State of Israel, 116. A third of Americans disapproved of Israel's actions, and less than twenty percent supported the assault.

significant opposition to Israeli actions among American Jews.¹⁵⁹ Leaders of the American Jewish community intervened with the administration in an attempt to mediate a mutually agreeable resolution between the respective governments.¹⁶⁰

Ben-Gurion's reply to Eisenhower's message reached the White House on November 1. The Prime Minister described U.S.-Israeli relations as a "cherished asset," and expressed the hope that the current difficulties would not disrupt the bilateral relationship.¹⁶¹ Regarding an Israeli withdrawal from Sinai, this could take place only as a result of a peace treaty that included assurances that Egypt would abstain from raids, boycotts, blockades, and any further acts of aggression. Despite these efforts, by November 7 it became clear that a quick diplomatic solution would not be reached. Ben-Gurion gave a fiery speech to the Knesset in which he opposed UN intervention and unilaterally abrogated the 1948-49 armistice lines.¹⁶² This decision placed Israel on a collision course with Washington. With the election now behind him, Eisenhower was in a stronger political position to bring pressure to bear upon Israel. This pressure began with a threat to suspend all government and private financial assistance.¹⁶³

Only twenty four hours after his combative Knesset speech, Ben-Gurion accepted

¹⁵⁹Sachar, A History of Israel, 506.

¹⁶⁰For a discussion of the reaction of American Jews to the Suez War see Alteras, Eisenhower and Israel, 287-303.

¹⁶¹Eban, An Autobiography, 218.

¹⁶²Statement to the Knesset by Prime Minister Ben-Gurion, 7 November 1956, in Israel's Foreign Relations, Selected Documents, 1947-1974, vol. 1, 559.

¹⁶³Alteras, Eisenhower and Israel, 248.

the idea of an Israeli withdrawal from Sinai in principle, and dispatched a message to Eisenhower conveying this decision.¹⁶⁴ In the face of military threats from the Soviet Union and economic threats from the United States Ben-Gurion, "bowed his head to realities and consented to withdraw without a peace treaty."¹⁶⁵ What remained to be negotiated were the terms of the Israeli withdrawal and security arrangements pertaining to the arrival of UN Emergency Forces (UNEF). However, Ben-Gurion did not provide a timetable for Israeli withdrawal. He also directed his emissaries in Washington to begin an effort to obtain American security guarantees. This led to protracted negotiations in Washington and New York from mid-November until March 1, 1957. Israel's strategy was one of delay and procrastination; agreeing to withdraw under pressure while extracting security guarantees, particularly with regard to freedom of navigation.¹⁶⁶ This strategy proved tedious both for Eisenhower and Dulles, who were generally unsympathetic to Israel's demands beyond the basic right of freedom of navigation in international waters.

Britain and France completed their respective withdrawals from Egyptian territory by December 22. The focus of international pressure fell singularly upon Israel, and by January 8 Israel completed two partial withdrawals to the el-Arish line in eastern Sinai. On January 12 Eisenhower received a report that described the Israeli economy as being

¹⁶⁴Israeli Government Statement, 8 November 1956, in Israel's Foreign Relations, Selected Documents, 1947-1974, vol. 1, 567.

¹⁶⁵Michael Bar-Zohar, Ben-Gurion: A Biography (New York: Delacourte, 1979), 252.

¹⁶⁶Alteras, Eisenhower and Israel, 250.

"close to bankruptcy."¹⁶⁷ Exploiting this vulnerability, Eisenhower raised the stakes by suggesting that sanctions would be applied by the United States if Israel failed to comply with UN resolutions. In a statement to the Knesset on January 23, Ben-Gurion outlined Israel's position concerning a compromise solution.¹⁶⁸ The proposal included a complete evacuation from Sinai with the exception of the Sharm el-Sheikh area and the Gaza Strip. The Prime Minister also remained adamant in his demand for guarantees concerning freedom of navigation beyond the stationing of UNEF in the area.

During the next two weeks there were exchanges of letters and messages between Washington and Tel Aviv in search of a solution, but neither Ben-Gurion nor Eisenhower would yield. By the first week in February Dulles felt the need for some conciliatory gesture to assuage Israel's security concerns, and hoped this would help to break the impasse.¹⁶⁹ Israel's supporters in Congress and the media had initiated a campaign in response to the threat of sanctions, and cited the political double-standard of demanding an Israeli withdrawal from Sinai while Soviet troops were occupying Eastern Europe without similar U.S. demands. Eisenhower and Dulles concluded that the vocal opposition coming from Congress and other public figures was undermining their position, and that congressional and public sympathy for Israel were making sanctions difficult to impose. Additionally, the administration had recently submitted the

¹⁶⁷Ibid., 256.

¹⁶⁸Statement to the Knesset by Prime Minister Ben-Gurion, 23 January 1957, in Israel's Foreign Relations, Selected Documents, 1947-1974, vol. 1, 581-84.

¹⁶⁹Sachar, A History of Israel, 509.

Eisenhower Doctrine for Senate approval, and Senate democrats threatened to vote against it if the administration continued to pursue sanctions against Israel.¹⁷⁰

On February 11 Dulles, with the President's consent, attempted to break the impasse by partially conceding to Israel's demand for security guarantees beyond UNEF. He formulated an aide-memoire concerning freedom of navigation and the status of the Gaza Strip.¹⁷¹ Dulles expressed the U.S. position that the Gulf of Aqaba constituted an international waterway, and that no nation had the right to prevent free and innocent passage through the gulf and the Strait of Tiran. Furthermore, the U.S. was, "prepared to exercise the right of free and innocent passage and to join with others to secure general recognition of this right." Concerning Gaza, the Secretary of State expressed an awareness that the area had been the source of armed infiltrations into Israel, yet he upheld the American position that Israel had to unconditionally withdraw to the 1949 armistice lines. Subsequent to that withdrawal, UNEF would act as a buffer between Gaza and Israel. Dulles accurately calculated that Israel would be flexible on Gaza if its security concerns were met concerning freedom of navigation.¹⁷²

Possibly sensing Eisenhower's weakening position, Ben-Gurion was unwilling to concede. The Prime Minister responded favorably to the American initiative the day after it was proposed, but added that it did not yet sufficiently address Israel's concerns. Ben-

¹⁷⁰Alteras, Eisenhower and Israel, 261.

¹⁷¹Aide-memoire from Secretary of State Dulles to Ambassador Eban, 11 February 1957, Israel's Foreign Relations, Selected Documents, 1947-1974, vol. 1, 590-92.

¹⁷²Alteras, Eisenhower and Israel, 262.

Gurion raised the stakes when he stated that Israel would make no further concessions even if sanctions were imposed.¹⁷³ The negotiations reached another stalemate.

Ambassador Eban expressed his view to Ben-Gurion that Israel had achieved the maximum concessions from Washington, and that the time had arrived to end the diplomatic standoff.¹⁷⁴ Ben-Gurion accepted Eban's advice and softened his position concerning a permanent Israeli presence in Gaza, but he still sought assurances that UN forces (rather than the Egyptian military) would be stationed in Gaza.

After returning to Israel for consultation and instructions, Eban returned to Washington and presented a list of five questions to Dulles.¹⁷⁵ Upon receiving acceptable written assurances to these questions from the United States, an agreement was reached that ended the standoff. On March 1 Foreign Minister Golda Meir went before the UN General Assembly to announce Israel's withdrawal, and three days later the IDF withdrew from Gaza and Sharm el-Sheikh, to be replaced by UNEF troops.¹⁷⁶ As part of the agreement, on April 7 the United States sent a ship through the Gulf of Aqaba to Eilat to publicly demonstrate its commitment to the freedom of navigation.

¹⁷³Eban, An Autobiography, 241.

¹⁷⁴Interview with Abba Eban, 19 April 1994, Washington, DC.

¹⁷⁵For the complete list see Sachar, A History of Israel, 510.

¹⁷⁶Statement to the General Assembly by Foreign Minister Meir, 1 March, 1957, Israel's Foreign Relations, Selected Documents, 1947-1974, vol. 1, 604-07.

Summary

Political distance and difficulties characterized this period in the U.S.-Israel relationship. No military or security relationship existed prior to 1958, and the U.S. repeatedly denied Israeli requests for arms transfers. Furthermore, there were few, if any, indications that a patron-client relationship was going to develop in the years ahead.

The Cold War was a significant political and strategic factor during this period, and the centrality of the Cold War dimension increased as the period progressed. However, the U.S.-Israel relationship was not solely a dynamic of Cold War politics. Humanitarian concerns related to World War II refugee resettlement and the resettlement of refugees following the demographic shifts that resulted from the 1948-49 Arab-Israeli War were also salient issues in U.S. policy. Nevertheless, by 1950 containment and deterrence of the Soviet Union were the highest priorities of U.S. foreign and defense policy, and the Middle East was not an exception.

The 1955 Czech-Egypt arms deal was a milestone event in terms of Soviet involvement as an external power in the region. The U.S. continued to resist Israeli requests for military transfers and assistance, notwithstanding the increase in Soviet prestige and influence in the region. However, in 1958 the U.S. made its first public statement of military support for Israel when it said that, consistent with the Eisenhower Doctrine, the U.S. would come to the assistance of Israel if attacked by the Soviet Union.

The coercion model more accurately characterizes the bilateral influence relationship during this period. There were three significant episodes where the U.S. attempted to influence Israel through the use of coercion. In two of the three episodes the

influence attempts were unsuccessful, but coercive influence was successful in compelling Israel to withdraw from Sinai in 1957. In contrast, there were no significant influence episodes that illustrated the successful use of incentives.

The first incident occurred in 1948 and involved pressure applied to the Zionist authorities to withhold their declaration of statehood. The coercion model applies in this case because explicit financial threats and threats to withhold support were used by the U.S. The second episode involved U.S. efforts to persuade Israel in 1953 to cease its Jordan River water diversion project. The coercion model applies to this case because threats to withhold financial assistance were employed in an attempt to compel Israel to cease the project. Both of these influence attempts failed to achieve their objective.

The third episode of coercive influence occurred in 1956-57, and involved U.S. demands that Israel withdraw from the Sinai Peninsula that it conquered in the Suez War. The U.S. employed considerable political and economic coercive influence, and in this case coercive influence was successful since Israel eventually yielded to American demands and withdrew its forces.

Influence predominantly flowed from the U.S. to Israel during this period. Although coercive influence attempts were unsuccessful in two out of three instances in which the U.S. employed them, coercive influence was successful in the Suez crisis, which was clearly the most important episode both in terms of U.S. and Israeli national interests. Despite several efforts, there were no significant examples of Israel successfully influencing U.S. policy on issues of importance to Israel (e.g., military sales, strategic cooperation, occupation of the Sinai Peninsula following the 1956 war).

Table 2-1
U.S. Military Assistance to Israel, 1949 - 1960
(\$millions)

Year	Total	Loan	Grant
1949	0.0	0.0	0.0
1950	0.0	0.0	0.0
1951	0.0	0.0	0.0
1952	0.0	0.0	0.0
1953	0.0	0.0	0.0
1954	0.0	0.0	0.0
1955	0.0	0.0	0.0
1956	0.0	0.0	0.0
1957	0.0	0.0	0.0
1958	0.0	0.0	0.0
1959	0.4	0.4	0.0
1960	0.5	0.5	0.0
Total	0.9	0.9	0.0

Source: ACDA, World Military Expenditures
& Arms Transfers, 1969.

Chart 2-1
U.S. Military Assistance to Israel, 1949 - 1960

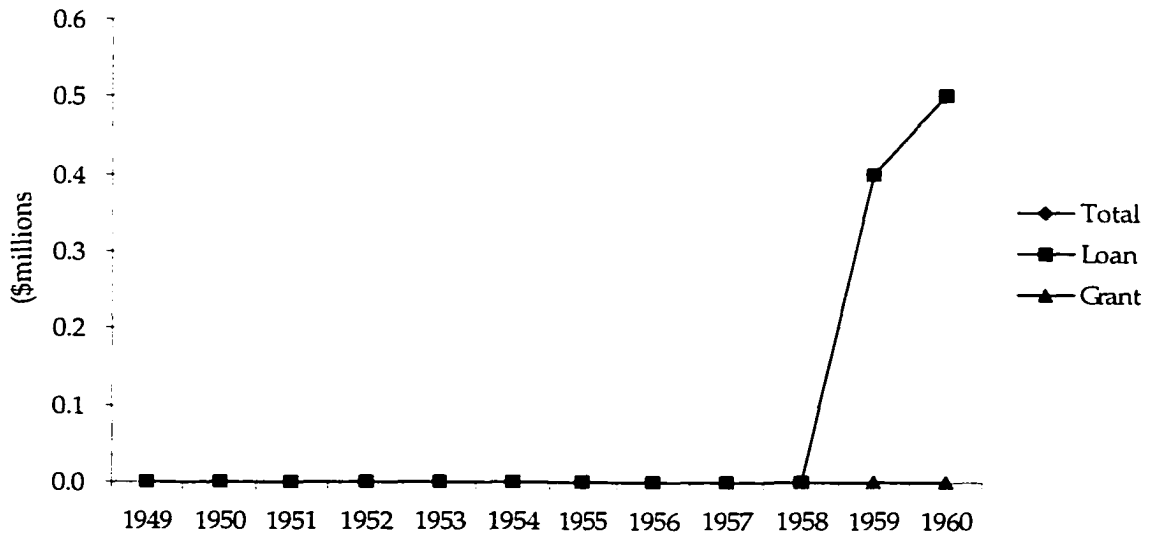


Table 2-2
U.S. Economic Assistance to Israel, 1949-1960
(\$millions)

Year	Total	ESF		Other(1)		Total	
		Loans	Grants	Loans	Grants	Loans	Grants
1949	100.0	0.0	0.0	100.0	0.0	100.0	0.0
1950	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1951	35.1	0.0	0.1	35.0	0.0	35.0	0.1
1952	86.4	0.0	63.7	0.0	22.7	0.0	86.4
1953	73.6	0.0	73.6	0.0	0.0	0.0	73.6
1954	74.7	0.0	54.0	0.0	20.7	0.0	74.7
1955	52.7	20.0	21.5	10.8	0.4	30.8	21.9
1956	50.8	10.0	14.0	25.2	1.6	35.2	15.6
1957	40.9	10.0	16.8	11.8	2.3	21.8	19.1
1958	85.4	15.0	9.0	59.1	2.3	74.1	11.3
1959	52.9	10.0	9.2	32.0	1.7	42.0	10.9
1960	55.7	15.0	8.9	27.3	4.5	42.3	13.4
Total	708.2	80.0	270.8	301.2	56.2	381.2	327.0

(1) = See Table 2-3 for breakdown of this category.

ESF = Economic Support Funds

Source: Congressional Research Service, Israel: U.S. Foreign Assistance,
CRS Issue Brief IB85066, 3 March 1995.

Chart 2-2
U.S. Economic Assistance to Israel, 1949-1960

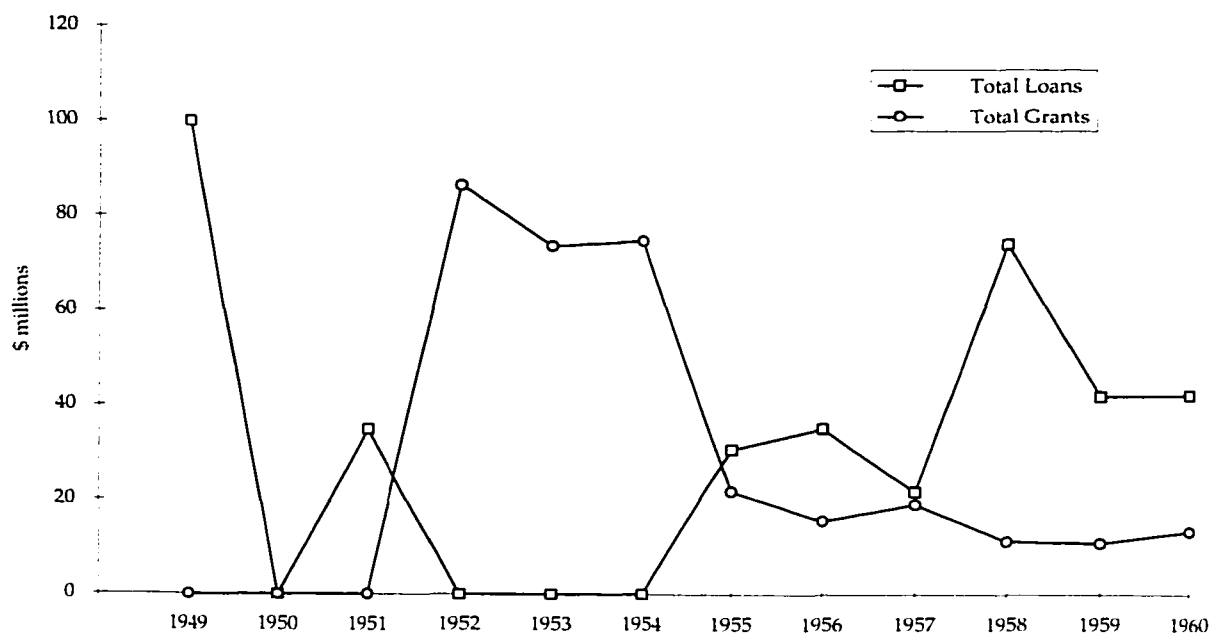


Table 2-3
Other Economic Assistance by Category, 1949-1960
(\$millions)

Year	Export- Import Loan	P.L. 480 <u>Food for Peace</u> Loan	Grant	JRR Grant	AS&H Grant	Housing Loan Guaranty	Special Grant
1949	100.0	0.0	0.0	0.0	0.0	0.0	0.0
1950	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1951	35.0	0.0	0.0	0.0	0.0	0.0	0.0
1952	0.0	0.0	22.7	0.0	0.0	0.0	0.0
1953	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1954	0.0	0.0	20.7	0.0	0.0	0.0	0.0
1955	0.0	10.8	0.4	0.0	0.0	0.0	0.0
1956	0.0	25.2	1.6	0.0	0.0	0.0	0.0
1957	0.0	11.8	2.3	0.0	0.0	0.0	0.0
1958	24.2	34.9	2.3	0.0	0.0	0.0	0.0
1959	3.0	29.0	1.7	0.0	0.0	0.0	0.0
1960	0.5	26.8	4.5	0.0	0.0	0.0	0.0
Total	162.7	138.5	56.2	0.0	0.0	0.0	0.0

JRR= Jewish Refugee Resettlement Program

AS&H= American Schools and Hospital Program

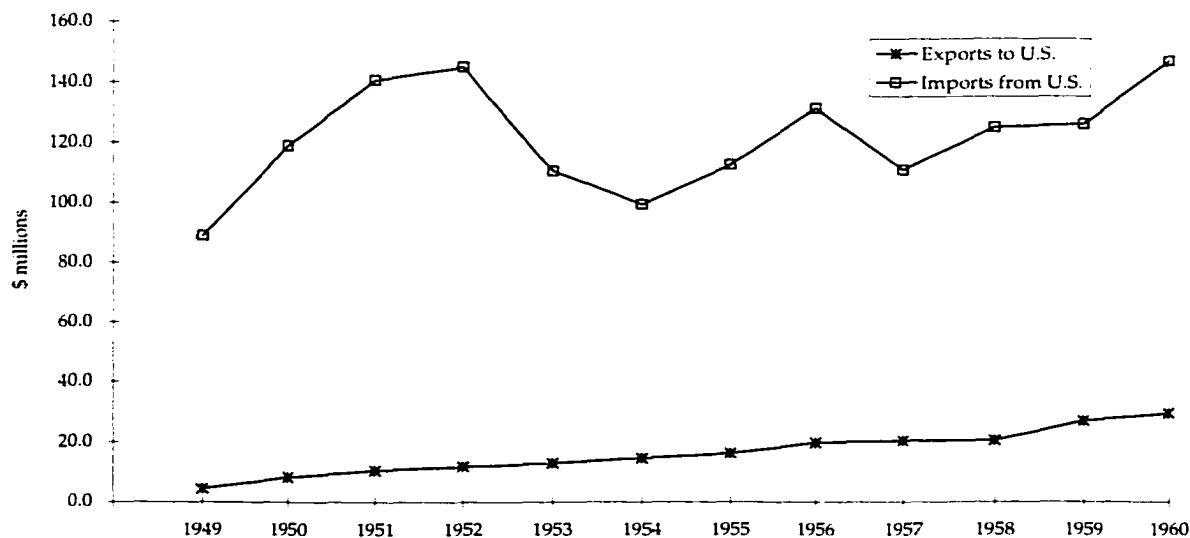
Source: Congressional Research Service, Israel: U.S. Foreign Assistance,
CRS Issue Brief IB85066, 3 March 1995.

Table 2-4
Israel's Balance of Trade and Trade with the U.S., 1949-1960
(\$millions)

Year	Total Exports	Total Imports	Balance	Exports to U.S.	Imports from U.S.	Balance	Exports to U.S. as % of total	Imports from U.S. as % of total
1949	28.6	253.1	-224.5	4.4	88.8	-84.5	15.3%	35.1%
1950	35.1	298.8	-263.7	8.2	118.9	-110.7	23.5%	39.8%
1951	44.8	379.8	-335.0	10.5	140.5	-130.0	23.4%	37.0%
1952	44.5	323.1	-278.6	11.7	144.7	-133.0	26.4%	44.8%
1953	56.3	281.9	-225.6	12.8	110.2	-97.4	22.8%	39.1%
1954	87.7	295.8	-208.1	14.6	99.1	-84.5	16.6%	33.5%
1955	87.5	338.1	-250.6	16.2	112.2	-96.1	18.5%	33.2%
1956	105.7	357.9	-252.2	19.7	131.0	-111.3	18.6%	36.6%
1957	136.4	364.8	-228.4	20.3	110.5	-90.2	14.9%	30.3%
1958	138.0	373.4	-235.4	20.4	124.7	-104.3	14.8%	33.4%
1959	174.5	381.2	-206.7	26.9	125.8	-98.9	15.4%	33.0%
1960	210.3	442.5	-232.2	29.4	146.4	-117.0	14.0%	33.1%

Sources: International Monetary Fund, *Direction of Trade Yearbook*, various years, 1970-93;
Israel Central Bureau of Statistics, *Annual Reports*, various years, 1960-92;
Bank of Israel, *Annual Reports*, various years, 1949-69.

Chart 2-3
U.S.-Israel Balance of Trade, 1949-1960



Chapter Three

Period II: The Relationship Develops, 1961-1976

During this period in the bilateral relationship there were more tangible manifestations of patron-client interaction. What was a small military supply and assistance relationship at the beginning of the period developed into a public American commitment to maintaining Israel's qualitative edge over the Arab states. By the end of the period military assistance was the centerpiece of the bilateral relationship. In the economic realm, American financial assistance to Israel substantially increased, as did bilateral trade. The scope and nature of the U.S. financial commitment to Israel also substantially changed, and for the first time grants overtook loans as the primary form of economic assistance.

A new pattern of bilateral interaction emerged during this period that was dissimilar from the previous period (1948-60). The United States, which had generally distanced itself from Israel during the previous period, began to more closely associate itself with Israel in political, economic, military, and diplomatic terms. Bargaining toward mutually beneficial objectives also became a more common feature of bilateral influence.

The Kennedy Administration

The Kennedy administration approached international relations from a philosophical and strategic perspective that differed significantly from its predecessor. Progress and change both at home and in foreign policy were central themes of the new administration. One of these changes was that the perception of bipolar East-West struggle that dominated the Eisenhower-Dulles approach to U.S. foreign policy was replaced by a more global approach. An economic North-South perspective supplemented the political/strategic framework of U.S. foreign policy that had existed since World War II. Kennedy believed that threats to the United States existed in the Southern Hemisphere, "not from massive land armies but from subversion, insurrection, and despair...[which require] a concerted attack on poverty, injustice and oppression in the underdeveloped part of the world."¹⁷⁷

In terms of Kennedy's approach to Israel and the U.S.-Israel relationship, his record in Congress did not provide a clear indication of his views or intentions. However, during the 1960 presidential campaign he sought the political benefits that resulted from expressions of support for Israel among American Jews.¹⁷⁸ Kennedy observed that American support for Israel transcended partisan politics, "The ideals of Zionism have...been endorsed by both parties...Friendship for Israel is not a partisan

¹⁷⁷Arthur M. Schlesinger, A Thousand Days: John F. Kennedy in the White House (Boston: Houghton Mifflin, 1965), 365.

¹⁷⁸For a review of this period see Steven L. Spiegel, The Other Arab-Israeli Conflict (Chicago: University of Chicago Press, 1985), 94-117.

matter, it is a national commitment."¹⁷⁹ This approach paid dividends in the election when he received over eighty percent of the Jewish vote.¹⁸⁰ Although Kennedy sought to please this constituency he did not refrain from opposing specific Israeli actions and policies when he felt such a position was warranted (e.g., concerning the status of Jerusalem and refugee matters). However, unlike the Eisenhower administration, he did not allow these differences to escalate into public confrontations and he avoided the use or threat of punishments. Whereas during much of the Eisenhower administration Israel was viewed as a problematic vestige of the Truman administration, Kennedy spoke of Israel as a positive force in international politics consistent with American ideals.¹⁸¹

Kennedy recognized that divergent viewpoints existed within the foreign policy bureaucracy and White House staff concerning Arab-Israeli policy. He institutionalized debate by including among his staff individuals who represented specific constituencies. Myer (Mike) Feldman held the title of Kennedy's deputy special counsel, but his primary function was to serve as a liaison to the American Jewish community and its leaders, members of Congress who were supportive of Israel, and others outside of the administration with a pro-Israel orientation. Feldman represented that constituency within the administration and argued for pro-Israel positions in policy discussions. Feldman's White House counterpart was Robert Komer, a former CIA official who

¹⁷⁹Ibid., 96.

¹⁸⁰Jewish support was especially critical in New York and Illinois.

¹⁸¹Spiegel, The Other Arab-Israeli Conflict, 99.

advocated an American rapprochement with Nasser and closer ties to the Arab world.¹⁸²

A combined approach to policy-making emerged from this management style, and the United States pursued friendly relations with both the Arab states and Israel. Kennedy believed that friendly relations with the Arab states and Israel were not mutually exclusive, and that Israel benefited by positive American influence in the Arab world. In pursuit of that objective Kennedy sought to improve U.S. relations with the "progressive" Arab states (Egypt, Syria, and Iraq), and he characterized American policy as one of respect for nationalism and neutralism.¹⁸³ Economic assistance in the form of developmental credits, loans, and food deliveries (primarily wheat) were used as incentives in this approach. However, the war in Yemen brought an end to Kennedy's efforts when he decided the United States could no longer provide support to states that threatened American interests and allies in the region.

In return for the improved political access and associated benefits Israel now enjoyed in Washington, Kennedy sought Israel's support for his policies in the Middle East. In a meeting with Foreign Minister Golda Meir in December 1962, Kennedy referred to the United States and Israel as being engaged in a partnership in which both parties had responsibilities.

In the Middle East we [the United States] have the twin problems of being historically and obviously associated with Israel and, especially in this administration, building on that association... while at the same time we have other responsibilities in the Middle

¹⁸²Ibid., 100.

¹⁸³George Lenczowski, American Presidents and the Middle East (Durham: Duke University Press, 1990), 72.

East. We would like Israeli recognition that this partnership we have produces strains for the United States in the Middle East.¹⁸⁴

In the summer of 1962 the Pentagon adopted the view that a "valid military basis" consistent with Israel's legitimate security requirements existed to grant Israel's request for sales of the Hawk air defense system. This opinion was consistent with Kennedy's decision to authorize the first direct sale of military equipment to Israel; a significant milestone considering the military supply and assistance relationship that developed in the years that followed. In approving the sale the President reminded Israeli officials that he expected political reciprocity, the recognition of America's broader regional interests, and an assurance that Israel would not seek to develop nuclear weapons. On the latter point Israeli assurances proved to be vague and possibly disingenuous.¹⁸⁵

Following the agreement on the Hawks, Shimon Peres (then a deputy and protege of Ben-Gurion) was dispatched to Washington to again raise the issue of bilateral security guarantees. Peres found the President unwilling to agree to a formal document. However, in December 1962 Kennedy informally reassured Foreign Minister Golda Meir on the issue. Kennedy told Meir, "I think it is quite clear that in case of an invasion the United States would come to the support of Israel."¹⁸⁶ This was the first suggestion by an American president of a U.S. commitment to the defense and survival of Israel. Although

¹⁸⁴Spiegel, The Other Arab-Israeli Conflict, 110.

¹⁸⁵David Schoenbaum, The United States and the State of Israel (New York: Oxford University Press, 1993), 137.

¹⁸⁶Quoted in Mordechai Gazit, President Kennedy's Policy Toward the Arab States and Israel (Tel Aviv: Shiloach Center for Middle Eastern Studies, 1983), 113.

this assurance did not amount to a treaty, it provided another indication of the general direction of the bilateral relationship.

The Johnson Administration

The Johnson presidency was a study in contrasts, both in terms of domestic politics and foreign policy. The president's knowledge and experience in public policy and domestic politics stood in contrast to his inexperience and relative lack of interest in foreign affairs.¹⁸⁷ His Great Society program, which sought to improve social and economic conditions at home, was overshadowed by American military intervention in Southeast Asia. Widespread opposition to Johnson's policies in Vietnam contributed to undermine the administration's efforts in both at home and abroad.

In terms of the Middle East, Johnson had little knowledge or experience with the region's politics or history. Perhaps his most notable effort in terms of U.S.-Israel relations was his vocal opposition to the strong-arm tactics used by the Eisenhower administration to compel Israel to withdraw from Sinai following the 1956 war. During his years in Congress he had acquired an understanding of the influence exercised by ethnic and religious communities on U.S. foreign policy, and he recognized the linkage between domestic political factors and foreign policy.¹⁸⁸ In terms of domestic politics, support for Johnson among American Jews went beyond the Israel factor; many Jews supported Johnson's social liberalism and civil rights agenda. However, as was the case

¹⁸⁷Spiegel, The Other Arab-Israeli Conflict, 118.

¹⁸⁸Lenczowski, American Presidents and The Middle East, 91.

with American society as a whole, the Jewish community was also divided over the President's policies in Southeast Asia. In terms of the U.S.-Israel relationship, Johnson continued the trend started by Kennedy of closer bilateral relations.

The first official visit by an Israeli prime minister to the United States occurred in June 1964 when Johnson received Levi Eshkol. Eshkol continued to pursue the issues of a security guarantee for Israel and arms transfers (particularly tanks).¹⁸⁹ Johnson's response was to reassure Eshkol of U.S. support for Israel's security without undertaking any specific commitments. A background paper recommended that the President's approach on this subject should be, "to reassure the Israeli government of the intent and capability of the United States to come to Israel's aid in the event of an unprovoked attack (short of combined planning of commitments restricting U.S. freedom of action)."¹⁹⁰

On the personal level, Johnson made reference to his religious background and education, expressed sympathy for Israel and the Zionist enterprise, and referred to the common heritage shared by the United States and Israel.¹⁹¹ Typical of Johnson's informal style of diplomacy, he regularly invited friends and colleagues to join him at the LBJ Ranch in Texas, and he extended an invitation to Eshkol to visit the ranch in January 1968. There they discussed a range of issues of common interest such as irrigation

¹⁸⁹See Shimon Peres, David's Sling (London: Weidenfeld and Nicolson, 1970), 103-07.

¹⁹⁰"Background Paper: Quid Pro Quo of Visit," Document EVW-B/10, 28 May 1964, drafted for the President by the State Department, NEA, Israel: National Security Files, 1963-1969 (microfilm).

¹⁹¹Public Papers of the Presidents of the United States: Lyndon B. Johnson (Washington, DC: U.S. Government Printing Office, 1968), 732, 796, 949.

projects and the development of new agricultural techniques.¹⁹² The visit provided another indication of the degree of change that had occurred in the bilateral relationship in the decade since the Eisenhower administration.

The most significant event during the Johnson administration in terms of the Middle East in general, and the Arab-Israeli conflict in particular, was the June 1967 War. The war resulted in substantial changes in the demographic, strategic, and political landscape of the conflict. The details of the war have been described and analyzed at length elsewhere, but the interaction and influence attempts between the United States and Israel in the weeks that preceded and followed the war require some elaboration.¹⁹³

It is difficult to identify with certainty a single event as the immediate cause of the war. A series of confrontations and reprisals occurred between Israel and Syria and Israel and Egypt in April and May 1967 that contributed to the spiral toward armed conflict.¹⁹⁴ A persuasive argument can be made that both the Arab states and Israel were drawn toward war by the momentum of events rather than by deliberate, calculated intent. For example, the new Syrian regime (one of several that resulted from coups during that period) facilitated armed infiltrations into Israel and spoke of launching a war of

¹⁹²Ibid., 131.

¹⁹³For descriptions and analyses of the events which led up to the war see Janice Gross Stein and Raymond Tanter, Rational Decision-Making: Israel's Security Choices, 1967 (Columbus: Ohio State University Press, 1980). For a recent assessment which analyzes competing theories of the war's origins see Richard B. Parker, "The June 1967 War: Some Mysteries Explored," Middle East Journal, 46:2, (Spring 1992), 177-97.

¹⁹⁴For a detailed discussion of the spiral toward conflict see Michael Brecher, Decisions in Crisis (Berkeley: University of California Press, 1980), 35-50, 91-170.

liberation in Palestine.¹⁹⁵ Israel responded with retaliatory attacks and threatened a broader conflict with Syria if the infiltrations were not halted. On April 7 a confrontation between Israeli and Syrian aircraft ended with the downing of six Syrian MiGs. Between May 8 and May 13 the Soviets supplied false and misleading information to the Egyptians that Israel was massing troops (eleven to thirteen brigades) along its frontier with Syria in preparation for an attack, and encouraged the Egyptians to intervene on Syria's behalf.¹⁹⁶ Egypt's decision to mass troops in Sinai during May 14-16 was followed by an Israeli decision to order a mobilization of its forces, which further fueled the spiral toward war.

As the cycle of violence and retaliation escalated the United States attempted to prevent a war through diplomatic means. Johnson attempted to dissuade Israel from taking any action that might further escalate the conflict.¹⁹⁷ On May 18 (following the Israeli and Egyptian mobilizations and the departure of UNEF from Sinai) he wrote to Prime Minister Eshkol,

I want to emphasize strongly that you have to abstain from every step that would increase the tension and violence in the area. You will probably understand that the United States cannot accept any responsibility for situations that are liable to occur as a result of

¹⁹⁵In comparison Jordan attempted to limit armed incursions into Israel launched from its territory.

¹⁹⁶Brecher, Decisions in Crisis, 44. Senior Israeli military officials maintain that this was a misinformation campaign by the Soviets to influence Egyptian behavior. They point to Israel's active military forces in the area which at the time amounted to two brigades. Interview with Major-General Shlomo Gazit (former Chief of IDF Military Intelligence), July 10, 1994, Washington. This view has received support from former U.S. officials as well. See Parker, "The June 1967 War: Some Mysteries Explored," 180-84.

¹⁹⁷For a review of the role played by the President and his senior advisers see William B. Quandt, "Lyndon Johnson and the June 1967 War: What Color was the Light?" Middle East Journal, 46:2, (Spring 1992), 198-228.

actions in which we were not consulted.¹⁹⁸

Eshkol requested that the President publicly reaffirm the security guarantees privately given to Israel in 1964 in discussions between the President and Eshkol.¹⁹⁹

Nasser's announcement of the blockade of the Strait of Tiran on May 22 raised the crisis to a new level. Israel encouraged the United States to intervene to ensure the international right to freedom of navigation under the terms of the 1957 aide-memoire that reaffirmed the U.S. commitment to Israel's right to freedom of navigation.²⁰⁰ On May 23 Johnson issued a statement that condemned Egypt's unilateral action and insisted that Egypt return to the status quo ante. The statement did not exclude the possible use of force if Egypt maintained the blockade.²⁰¹ However, it also did not specify what, if anything, the United States was prepared to do to avert a war.

During May 23-25 the majority of the IDF General Staff feared that Egypt was preparing to launch a surprise attack, and advised Prime Minister Eshkol to launch a preemptive strike in Sinai. Foreign Minister Abba Eban was in Washington at the time to ascertain the extent of American support for Israel. Eban received two cables from Jerusalem that he was instructed to deliver to the President and Secretary of State. The

¹⁹⁸Lyndon B. Johnson, The Vantage Point: Perspectives of the Presidency 1963-1969 (New York: Holt, Rinehart and Winston, 1971), 290.

¹⁹⁹Brecher, Decisions in Crisis, 108.

²⁰⁰*Ibid.*, 125. The White House provided Israeli diplomats with an advance copy of the President's statement. As a result of Israeli objections to the relatively weak tone, the statement was revised to express a stronger American commitment to upholding freedom of navigation.

²⁰¹See "Remarks of the President on the Near East Situation," 23 May 1967, Office of the White House Press Secretary. See also The New York Times, 24 May 1967.

first requested a clarification as to what the United States was prepared to do in light of its earlier commitments to Israel. The second cable recommended a specific course of American action.

The United States government should declare at once that any attack on Israel would be regarded as an attack on the United States. It should also issue specific orders to its forces in the area that they are to combine operations with the IDF against any possible Arab attack on Israel.²⁰²

Secretary of State Dean Rusk agreed to pass this extraordinary request (which amounted to elevating the U.S. commitment to Israel to the level of its NATO allies) on to the President and Secretary of Defense McNamara. He also informed Eban that there was sympathy and support for Israel's predicament among U.S. officials, but the United States did not wish to act unilaterally.²⁰³ The following day President Johnson responded to Israel's request by conveying to Eban and Evron that the United States was prepared to honor its 1957 commitments regarding freedom of navigation in the Gulf of Aqaba.

Public opinion was increasingly negative toward the prospect of American military intervention in the Middle East following the administration's statement of May 23 that condemned Egypt's blockade of the Strait of Tiran. In light of the prevailing political environment it was impossible to isolate the debate from the U.S. military commitment in Vietnam. Sentiment in Congress was opposed to American military intervention, and Secretary McNamara and General Earle Wheeler (Chairman of the Joint

²⁰²Yitzhak Rabin, The Rabin Memoirs (Boston: Little, Brown, 1979), 87-88.

²⁰³Abba Eban, An Autobiography (New York: Random House, 1977), 349-50.

Chiefs of Staff) expressed opposition to American participation in a naval task force.²⁰⁴

The political environment contributed to Johnson's decision to pursue a multilateral response to break Egypt's blockade if diplomatic efforts failed. Despite Johnson's efforts it became apparent that international participation in a naval task force was not forthcoming. This was officially confirmed on June 1 when Minister Evron informed Jerusalem that Walt Rostow (Johnson's National Security Advisor) was instructed to notify Evron that the President could not fulfill his commitment to Foreign Minister Eban concerning breaking the Egyptian blockade.²⁰⁵ The government of Israel made the decision to go to war in the 48 hours that followed.

Notwithstanding the Israeli government's ultimate decision to go to war, it is apparent that between May 14 and June 1 Prime Minister Eshkol was influenced by Johnson's admonitions to exercise restraint and to not initiate hostilities. Accounts by senior Israeli officials who advised Eshkol are consistent in their reporting of Eshkol's desire to comply with Johnson's requests until it became clear that the United States was not going to intervene beyond the diplomatic realm (and after the U.S. began to soften its declared opposition to the prospect of unilateral Israeli military action).²⁰⁶ According to then IDF Chief of Staff Yitzhak Rabin, upon receiving Evron's message from Johnson

²⁰⁴Nadav Safran, Israel: The Embattled Ally (Cambridge; Harvard University Press, 1978), 400-04; Brecher, Decisions in Crisis, 136.

²⁰⁵Rabin, Memoirs, 95.

²⁰⁶See Eban, An Autobiography, 384-85, and Rabin, Memoirs, 94-97.

(via Walt Rostow), "Eshkol was thunderstruck."²⁰⁷ Eshkol had paid a substantial political price by his decision to delay both in terms of domestic politics and through erosion of his authority among the IDF's senior officers. One of the byproducts of this criticism was a political crisis that resulted in the appointment of Moshe Dayan to replace Eshkol as the Minister of Defense.²⁰⁸

Despite Eshkol's surprise and dismay at Johnson's decision, the Prime Minister continued to consider the possible repercussions in the bilateral relationship as a consequence of unilateral Israeli military action. In considering operational logistics and the possible outcome of an Israeli first strike Eshkol observed,

We will still need Johnson's help and support. I hope we won't need it during the fighting, but we shall certainly need it if we are victorious, in order to protect our gains. I want to make it clear to the President, beyond a shadow of a doubt, that we have not misled him; that we have given the necessary time for any political action designed to prevent the war.²⁰⁹

In his reference to protecting possible military gains Eshkol sought to avoid a repetition of 1956 when Eisenhower compelled Israel to withdraw from Sinai.

A number of Johnson administration officials (including the President) expressed sympathy for Israel's situation during the weeks leading up to the war. They were relieved that Israel's swift military victory eliminated the prospect of American military

²⁰⁷Rabin, Memoirs, 95.

²⁰⁸Eban, An Autobiography, 387-92.

²⁰⁹Rabin, Memoirs, 97.

intervention.²¹⁰ However, this generally favorable disposition toward the outcome of the war did not amount to American support for Israel indefinitely maintaining the territories its military forces now occupied. The President considered it, "essential to consider the attitudes of the countries in the area [and to] not overlook the humiliation the Arabs suffered, and their need to recoup their loss of prestige."²¹¹ Consequently, the administration undertook multilateral efforts at achieving a negotiated settlement between Israel and Egypt, Jordan, and Syria. On June 19 the President presented his approach, which became known as the Five Principles of Peace. Although Johnson agreed in principle that Israel should withdraw from the newly occupied territories, he linked this withdrawal to the, "recognized rights of national life, progress in solving the refugee problem, freedom of innocent maritime passage, limitation of the arms race, and respect for political independence and territorial integrity."²¹² The administration's position was that the United States would not pressure Israel to relinquish its territorial gains unless the Arab states were prepared to negotiate a political settlement.

Johnson's Principles of Peace later served as the basis for the American position in debates at the UN Security Council. On November 22, 1967, the Security Council

²¹⁰Spiegel, The Other Arab-Israeli Conflict, 153.

²¹¹Department of State, Memorandum of Conversation, 24 October 1967, between President Johnson, National Security Advisor Walter Rostow, Assistant Secretary of State Lucius Battle, Foreign Minister Abba Eban, Ambassador Avraham Harman, and Minister Ephraim Evron, Israel: National Security Files, 1963-1969 (microfilm).

²¹²"Principles of Peace, June 1967," in The Quest for Peace: Principal United States Public Statements and Related Documents on the Arab-Israeli Peace Process, 1967-1983 (Washington, DC: U.S. Department of State, 1984), 1-5; Public Papers of the Presidents of the United States: Lyndon B. Johnson, 1967 (Washington, DC: U.S. Government Printing Office, 1969), 632-34.

unanimously adopted Resolution 242, which provided the framework for future negotiations between the Arab states and Israel. Although vaguely worded and ambiguous, the resolution attempted to offer recognition of the fundamental interests and concerns of the respective parties. During the balance of the Johnson administration peace efforts generally amounted to supporting the efforts of Gunnar Jarring, the UN special representative appointed to implement Resolution 242.²¹³

The Nixon Administration

When Richard Nixon entered office in January 1969, a range of foreign policy issues that required his immediate attention confronted him. Nixon viewed his interest and experience in international affairs as one of his strongest assets, and he viewed foreign policy as an area of particular importance.²¹⁴ The war in Vietnam was clearly the most pressing issue, but other trends such as countering the growing Soviet political and military presence in the Third World were also high on Nixon's foreign policy agenda.²¹⁵

The results of the 1967 war and the events that followed (particularly the decision by six Arab states to break diplomatic relations with the United States) presented both opportunities and challenges for the new administration. The Johnson administration

²¹³For a discussion of the remaining year and a half of the Johnson administration see Safran, Israel: The Embattled Ally, 414-19; and David Pollock, The Politics of Pressure: American Arms and Israeli Policy Since the Six Day War (Westport: Greenwood Press, 1982), 17-56.

²¹⁴William B. Quandt, Decade of Decisions: American Policy Toward the Arab-Israeli Conflict (Berkeley: University of California Press, 1977), 72.

²¹⁵For a discussion of the Nixon era see Bernard Reich, The United States and Israel: Influence in the Special Relationship (New York: Praeger, 1984) 19-34; Spiegel, The Other Arab-Israeli Conflict, 166-218; and Quandt, Decade of Decisions, 72-252.

hoped that Israel's decisive victory in 1967 would cause the Arab states to accept the permanence of Israel's presence and enter into negotiations toward a political settlement.²¹⁶ This proved to be unfounded optimism, and within a year a war of attrition was underway along the Suez Canal between Egypt and Israel. The Palestinians and the PLO arrived at the conclusion that their fate could no longer be entrusted to the Arab states, which had proved incapable of restoring their homeland. Following the Khartoum Conference of 1967 the PLO began to pursue an aggressive political and paramilitary campaign. A series of infiltrations launched from neighboring states (particularly Jordan and Lebanon) served to remind Israel and others that the Arab-Israeli conflict had not been resolved by the 1967 war.

Nixon presided over a foreign policy team in which control was centralized in the White House rather than at the State Department.²¹⁷ Nixon chose William Rogers, a personal friend who also served in the Eisenhower administration, to serve as Secretary of State. Rogers' relative inexperience in foreign policy and his less than assertive personality, Nixon's distrust of the State Department's bureaucracy, and Kissinger's assertiveness combined to marginalize Rogers in the foreign policy decision-making process. In contrast, Kissinger served as Nixon's National Security Advisor and was a dominant personality with considerable knowledge and some experience in foreign affairs. Consequently, Kissinger directed the NSC-led foreign policy bureaucracy from

²¹⁶Lyndon B. Johnson, The Vantage Point: Perspectives of the Presidency 1963-69 (New York: Holt, Rinehart, & Winston, 1971), 290-308.

²¹⁷For a discussion of the powerful NSC system under Nixon see I.M. Destler, Presidents Bureaucrats and Foreign Policy (Princeton: Princeton University Press, 1972), 121-27.

the White House.

Nixon and Kissinger were a formidable foreign policy team. Although their personalities were a study in contrasts, they shared a common worldview of the Soviet Union and the role of the United States in the international system. Among their priorities was the desire to develop a new relationship with the Soviet Union based on mutual interests; highest among these was the necessity to avoid a nuclear conflict. They also believed that a new relationship with the Soviets would help to facilitate resolutions to regional disputes, particularly in the Middle East and Southeast Asia. Consequently, U.S. efforts in the Middle East were initially subjugated to the war in Vietnam and U.S.-Soviet relations, and for the time being Nixon was willing to relinquish the Middle East portfolio to Rogers and the State Department. Nixon also attributed this decision to his concern that Kissinger's, "Jewish background would put him at a disadvantage during the delicate initial negotiations for the reopening of diplomatic relations with the Arab states."²¹⁸

Similar to his predecessor Nixon found himself frustrated by the opposition of many influential American Jews toward U.S. intervention in Vietnam and the effects of this group's influence in Congress. Nixon recalled that he was, "annoyed that a number of the senators who were urging that we send more military aid to Israel were opposing our efforts to save South Vietnam."²¹⁹ There was a paradox in Nixon's inability to generate

²¹⁸Richard Nixon, RN: The Memoirs of Richard Nixon (New York: Grosset and Dunlop, 1978), 591; Henry Kissinger, White House Years (Boston: Little, Brown and Co., 1979), 348, 559.

²¹⁹Nixon, RN, 481.

significant political support among American Jews despite his self-perception as a friend of Israel. According to Kissinger, "the President was convinced that most leaders of the Jewish community had opposed him throughout his political career."²²⁰ Foreign Minister Abba Eban recalled that Nixon inquired as to, "why Israel's friends in America did not have more faith in his concern for Israel's interests?"²²¹ In his memoirs Nixon referred to, "the unyielding and shortsighted pro-Israeli attitude prevalent in large and influential segments of the American Jewish community."²²²

Nixon's efforts in the Middle East began in December 1968 (a month prior to his inauguration) with a fact-finding mission. William Scranton, former governor of Pennsylvania, was dispatched by the President-elect to hold consultations with Middle East leaders in order to obtain their views on a number of regional issues. The mission collapsed into disarray when Scranton (after crossing into the occupied West Bank) stated to reporters that, "America would do well to have a more even-handed policy. We are very interested in Israel's security...but it is important to point out...that we are interested in other countries and have friends among them."²²³ When asked to explain his use of the term even-handed Scranton replied, "I think it is important for the United States to take into consideration the feelings of all persons and all countries in the Middle East and not

²²⁰Nixon repeatedly suggested that in practical terms this opposition insulated him from pressure from the "Jewish lobby". Kissinger, White House Years, 564.

²²¹Eban, An Autobiography, 463.

²²²Nixon, RN, 435.

²²³The New York Times, 8 December 1968.

necessarily espouse one nation over some other."²²⁴ For American Jews the phrase "even-handed" was viewed as a euphemism for policies likely to be unfavorable to Israel's preferences. Israel's supporters criticized Scranton's remarks and pressured Nixon to disassociate himself from Scranton's statements. Other than a meeting with the President upon his return, little of substance resulted from the Scranton mission.²²⁵

A period of review and policy development took place in the State Department and National Security Council during 1969-70. During the review process alternatives for Middle East policy were outlined, and a number of principles were identified that would provide guidance for the administration. One of these principles was that the United States would attempt to "push" Israel in the initial stages of the peace process, but a final agreement would only be reached with Israel's participation and consent.²²⁶ This approach was consistent with the generally cooperative atmosphere of the bilateral relationship in the early months of the Nixon administration. As a result of his initial meetings with the new President and his advisors, Foreign Minister Abba Eban concluded that there was a solid foundation for positive relations with the new administration.²²⁷

By April 1969 Britain and France were participating in a process with the United States and Soviet Union that became known as the four-power talks. The objective of this effort was to create a framework of general principles for negotiations. These talks,

²²⁴The New York Times, 10 December 1968.

²²⁵Nixon did not mention the episode in his memoirs.

²²⁶Quandt, Decade of Decisions, 82.

²²⁷Eban, An Autobiography, 462.

along with bilateral U.S.-Soviet efforts, made limited but measurable progress from 1969-70. However, in August 1970, as the War of Attrition between Israel and Egypt heated up, the Nixon administration decided to move ahead with its own policy initiative. The initiative presented on December 9 became known as the Rogers Plan, and was largely based on the principles embodied in UN Resolution 242.²²⁸ The plan spoke of a balanced American approach, and upheld the formula of Israel relinquishing territories occupied in the 1967 war in exchange for Arab recognition of Israel's right to territorial integrity and secure and recognized borders. The plan envisaged a role for the Soviets, but it ruled out the possibility that a settlement could be forced on Israel or the Arab states by external parties.

In response to the Rogers Plan, on December 22, 1969 the Israeli cabinet issued a statement that declared, "Israel will not be sacrificed by any power or interpower policy and will reject any attempt to impose a forced solution on her. The proposal by the U.S. cannot but be interpreted by the Arab parties as an attempt to appease them at the expense of Israel."²²⁹ While the United States was considering its response to the Israeli rejection, the Soviets also responded by rejecting the plan in almost all of its parts.²³⁰ This brought the initial peace-making effort of the new administration to a sudden halt. It also raised doubts about the viability of U.S.-Soviet "linkage" diplomacy; an approach both Nixon

²²⁸See U.S. Department of State, The Quest for Peace: Principle United States Public Statements and Related Documents on the Arab-Israeli Peace Process, 1967-1983 (Washington, DC: Government Printing Office, 1984), 23-29; and The New York Times, 11 December 1969.

²²⁹Quandt, Decade of Decisions, 91-92.

²³⁰For the text of the Soviet reply see The New York Times, 13 January 1970.

and Kissinger hoped would serve as the model for superpower cooperation.²³¹

Supplementary to Nixon's linkage of regional disputes to superpower politics was the belief that the U.S. could not solely carry the military or financial burden for defending against all regional threats. In 1969 Nixon outlined an approach designed to limit the American commitment of forces for regional disputes. This approach became known as the Nixon Doctrine, and its modus operandi was to build the defense capabilities of regional allies who could then assume a greater role for providing for their own, and their region's, defense. In the Middle East, Iran was viewed as the guardian of the Persian Gulf, and Israel was perceived as capable of playing this role in the eastern Mediterranean (although this was not declared policy).²³²

The crisis in Jordan in September 1970 (known as Black September) appeared to demonstrate the functional utility of the Nixon Doctrine.²³³ In brief, the crisis resulted from King Hussein's decision to militarily confront the increasingly autonomous Palestinian guerilla organizations operating in Jordan that were threatening his regime. Syria intervened with ground forces in northern Jordan ostensibly in support of the Palestinian forces. Syria's intervention caused King Hussein to request American, and eventually Israeli, military intervention. The United States and Israel shared a common interest in ensuring the King's survival, and they coordinated their planning that amounted

²³¹For a discussion of subsequent peace-making efforts by Gunnar Jarring during 1970-71 see Reich, The United States and Israel, 24-29.

²³²This was a particularly salient issue in the Persian Gulf region due to the British withdrawal which was completed in 1971.

²³³For a discussion of these events see Kissinger, White House Years, 595-631.

to the possibility of Israeli intervention against Syrian forces. This ultimately proved unnecessary when Jordanian forces succeeded in repelling Syrian ground forces.²³⁴

Some observers pointed to Israel's decision to mass forces on the Golan Heights and along its border with Jordan as being decisive in deterring Syria from escalating its military intervention. In the context of superpower politics it was argued that Israel, acting in support of American (and clearly its own) interests, thwarted the designs of a Soviet ally in a crisis that could have had a negative impact on U.S. interests in the region. In addition to the administration's contention that the outcome of events demonstrated the success of the Nixon Doctrine, the events in Jordan were cited for years to come by Israel and its supporters as a functional demonstration of Israel serving as an extension of NATO in the eastern Mediterranean.

Even observers favorably disposed to the concept of Israel as a strategic partner of the United States have agreed that this is an overstatement of the significance of Israel's role.²³⁵ An alternative interpretation suggests that once the Syrian air force (then commanded by Hafez el-Assad who led a successful coup in the weeks that followed) refused to enter the battle the outcome (the defeat of the Palestinian forces) was decided. Those who hold this view argue that Israel's contribution was marginal, and certainly not an example of a regional ally acting to thwart the Soviets and their ally on behalf of the United States. They maintain that Nixon and Kissinger overstated the Soviet role and

²³⁴See Quandt, Decade of Decisions, 105-27.

²³⁵See Spiegel, The Other Arab-Israeli Conflict, 202.

underestimated the role of domestic Syrian factors on Syrian decision-making.²³⁶

Regardless of which viewpoint is more accurate, the 1970 crisis in Jordan was a significant turning point in the development of the patron-client relationship between the United States and Israel. The crisis demonstrated a degree of closeness and coordination more generally associated with treaty allies. Additionally, the military cooperation between the United States and Israel did not go unnoticed in the international community, and especially in the Arab world and the Soviet Union. Although the degree of commitment between the United States and Israel remained officially vague (since no formal treaty existed), it became clear that a special relationship was evolving.

Similar to other areas of Nixon's presidency his relationship with Israeli leaders was a study in contradictions. On a personal level the President developed friendly, personal relationships with a number of Israeli leaders, chief among these were his relationships with Prime Minister Golda Meir and Yitzhak Rabin (Israel's ambassador to Washington). Rabin observed that meetings between Nixon and Meir were almost always successful and that their rapport, "was fascinating to observe [and]...often truly extraordinary."²³⁷ Nixon made no secret of his affection for Golda, and Meir repeatedly spoke of Nixon as, "an old friend of Israel," which Kissinger observed, "was startling news to those of us more familiar with Nixon's ambivalence on that score."²³⁸ Meir astutely avoided confrontations with the President, and perhaps in an effort to exploit

²³⁶Quandt, Decade of Decisions, 124.

²³⁷Rabin, The Rabin Memoirs, 153, 208-09.

²³⁸Kissinger, White House Years, 568.

Nixon's fundamental mistrust of the State Department, tended to direct her criticism toward Foggy Bottom. Nixon responded in kind. In March 1970, while considering an Israeli request for substantial military sales (the most significant element of which was F-4 Phantoms), the President decided to replace Israeli losses of combat aircraft during the War of Attrition with Egypt (while the larger Israeli request remained under consideration). The President instructed Kissinger to personally and immediately inform Ambassador Rabin of his decision to replace Israeli losses, but instructed the State Department to inform Israel of the "bad news" that no decision had been reached as yet on their arms sales request. In distinguishing personalities from policy, Nixon's views were consistent only in their inconsistency. While he expressed admiration for Israel's accomplishments and the personal qualities of its people, he also spoke of the necessity to, "unilaterally save Israel from her own destruction."²³⁹

Warm personal relationships notwithstanding, there were instances of serious disagreement in the bilateral relationship. These were generally related to Israel's negotiating positions in the peace process and requests for military sales and assistance.²⁴⁰ These disagreements illustrated another component of the emerging patron-client relationship, the use of bargaining rather than coercion for resolving disagreements. In his discussion with Prime Minister Meir in September 1969 Nixon suggested that he was sympathetic to Israel's concerns, and that he was prepared to give Israel more latitude in

²³⁹William Safire, Before the Fall (New York: Doubleday, 1975), 567; Rabin, The Rabin Memoirs, 132-34; Golda Meir, My Life (New York: Putnam, 1975), 390-92; Kissinger, White House Years, 370-72.

²⁴⁰The amount and types of equipment Israel requested (e.g., F-4 Phantoms) were often viewed as "balance changers" by the Departments of State and Defense which led to bureaucratic opposition.

prospective peace negotiations than the State Department appeared willing to concede. In an exchange that Kissinger described as "hardware for software," Nixon suggested he would be responsive to arms requests if Israel showed greater flexibility in negotiations. According to Kissinger, Nixon reassured Meir that the concessions expected of Israel, "would not amount to much."²⁴¹ Consistent with this approach, there were instances in which Kissinger manipulated assistance to Israel both to produce trust and to encourage flexibility.²⁴² An alternate diplomatic channel was also established between Washington and Jerusalem that sidestepped the State Department and the Foreign Ministry.²⁴³

In terms of U.S. foreign policy, the two-year period from November 1970 to December 1972 was dominated by events away from the Middle East: the Vietnam War; negotiations with the Soviets; and the opening to China. The 1972 presidential elections also shifted the administration's attention away from undertaking new foreign policy initiatives. During the campaign Nixon made a significant effort to court the "Jewish vote," and avoided anything that might cause a rift in the U.S.-Israel relationship. Another factor that contributed to the diplomatic malaise prior to the election was the widely held perception of Secretary of State Rogers as a lame duck who presided over a stalled bureaucracy.²⁴⁴

In Egypt Anwar Sadat, who came to power following Nasser's sudden death in

²⁴¹Kissinger, White House Years, 371.

²⁴²Spiegel, The Other Arab-Israeli Conflict, 185.

²⁴³Rabin, The Rabin Memoirs, 154.

²⁴⁴Spiegel, The Other Arab-Israeli Conflict, 228.

1970, was initially viewed as a transitional figure by both the Arab world and the international community. During Sadat's first two years in office his primary foreign policy efforts were directed toward Egypt's relations with the Soviets and a self-described "Year of Decision" (1971) which passed with no apparent decision of any significance. Meanwhile, Israel focused its efforts on consolidating its position in the newly occupied territories and, still basking in the results of the 1967 war, arrogantly viewed the Arab states as incapable of organizing a competent military challenge. Compared to the preceding three years, the period from November 1970 until the fall of 1973 was a period of relative tranquility in the region. This tranquility seemed to be welcomed by all parties--except for the Palestinians.

The October 1973 War was arguably the most dangerous Middle East crisis faced by an American administration.²⁴⁵ The war brought the United States and Soviet Union close to direct military confrontation in support of their respective allies; a scenario Nixon and Kissinger had specifically sought to avoid and which had served as the rationale for their "linkage" approach to regional disputes during the first administration.²⁴⁶ The war also illustrated the need for a renewed peace-making effort led by the United States. In terms of personalities and politics Kissinger's replacement of Rogers as Secretary of State in September 1973 ended a festering bureaucratic dispute over whom held primary responsibility for the development and implementation of U.S.

²⁴⁵See Brecher, Decisions in Crisis, 171-229, 286-324.

²⁴⁶For a review and analysis of Kissinger's negotiations with the Soviets see Victor Israelyan, "The October 1973 War: Kissinger in Moscow," Middle East Journal, 49:2, (Spring 1995), 248-68.

foreign policy.²⁴⁷ However, where one controversy ended another began. By October 1973 the Nixon administration was largely preoccupied with the Watergate scandal, and Kissinger continued to play the central role in the Arab-Israeli peace process during Nixon's last months in office.²⁴⁸ The operational latitude he enjoyed was due in large part to the prevailing domestic political environment, specifically Nixon's desperate need to attain some measurable policy achievements in a presidency that was rapidly deteriorating.²⁴⁹

The Ford Administration

Despite the dramatic end of the Nixon presidency and the transition to a new administration, continuity rather than change prevailed in the style and substance of U.S. foreign policy. Kissinger continued to preside over the foreign policy bureaucracy although he only retained the position of Secretary of State.²⁵⁰ This did not reduce the President's dependence on Kissinger. Whereas Nixon was preoccupied with saving his presidency, Ford's inexperience in foreign affairs, his appreciation of Kissinger's knowledge and experience, and their warm personal relations assured Kissinger's continued preeminence in the new administration.²⁵¹ Ford observed, "It would be hard for

²⁴⁷Kissinger continued to serve as Nixon's National Security Advisor.

²⁴⁸Nixon, RN, 277, 927.

²⁴⁹See Henry Kissinger, Years of Upheaval (Boston: Little, Brown, 1982).

²⁵⁰General Brent Scowcroft became Ford's National Security Advisor.

²⁵¹Kissinger's dominance of U.S. foreign policy in general, and the October 1973 war in particular, has

me to overstate the admiration and affection I had for Henry...I respected his expertise in foreign policy and he respected my judgement in domestic politics."²⁵²

In terms of the U.S.-Israel relationship, Israel and its supporters had every reason to believe the new president would be sympathetic and supportive. Ford had a record of strong support for Israel in Congress, and on more than one occasion advocated policies more favorable to Israel than established American policy. For example, he had been a supporter of American military assistance to Israel (including the sale of F-4 Phantom jets as early as 1967), he proposed the establishment of a "hot line" between Washington and Jerusalem, and in February 1972 he was the first prominent Republican to call for the United States to recognize Jerusalem as Israel's capital.²⁵³

The most significant event in the bilateral relationship during the Ford administration was the period of "reassessment" from March to September 1975.²⁵⁴ Both the United States and Israel understood the term reassessment, much like even-handedness, as a euphemism for Washington's official displeasure with Jerusalem. The reassessment policy had its roots in the aftermath of the October 1973 War. Specifically, the spiral which brought the Soviets and Americans close to direct military conflict,

been the subject of many studies, both favorable and critical. See Marvin and Bernard Kalb, Kissinger (Boston: Little, Brown and Co., 1974); Gil Carl Alroy, The Kissinger Experience (New York: Horizon Press, 1975); Edward Sheehan, The Arabs, Israelis, and Kissinger (New York: Reader's Digest Press, 1976).

²⁵²Gerald R. Ford, A Time to Heal (New York: Harper and Row, 1979), 126-28.

²⁵³Spiegel, The Other Arab-Israeli Conflict, 232.

²⁵⁴See Abraham Ben-Zvi, The United States and Israel: The Limits of the Special Relationship (New York: Columbia University Press, 1993), 77-102.

coupled with the dramatic effects of the international oil crisis, motivated Kissinger to ensure that the results of the war would provide an opportunity for a renewed effort at peace-making. In the eight months that followed Kissinger directed an unprecedented diplomatic initiative to reach a political settlement between the Arab states (primarily Egypt and Syria) and Israel that became known as "step-by-step" diplomacy.²⁵⁵ This effort began with cease-fire and separation of forces agreements (known as Sinai I) followed by negotiations aimed at a broader political settlement (known as Sinai II).²⁵⁶ Kissinger exercised an extraordinary amount of latitude in his conduct of the negotiations; a product of Nixon's preoccupation with Watergate and the President's desperate need for a political success.

Both Ford and Kissinger sought to maintain the momentum of the Sinai I agreements, and within a month of taking office Ford met with Prime Minister Yitzhak Rabin in Washington. The visit did not produce noticeable progress, but what was noticeable was that the friendly relationship that had existed between Nixon and Meir had been replaced by coolness between Ford and Rabin. It also became clear that Ford and Rabin's agendas were inconsistent with one another, and Rabin did not show the flexibility Ford expected. Additionally, Rabin's proclivity for blunt statements served to publicly highlight the differences of opinion between the United States and Israel.²⁵⁷ In an

²⁵⁵Quandt, Decade of Decisions, 207-52; Kissinger, Years of Upheaval, 450-544.

²⁵⁶The agreement between Egypt and Israel was reached in January 1974, and the Israel-Syria agreement was reached in May 1974. For the text of the agreements see The Search for Peace in the Middle East: Documents and Statements (Washington, DC: U.S. Government Printing Office, 1980).

²⁵⁷Ford, A Time To Heal, 183, 213-19.

interview in December 1974 Rabin admitted that it was Israel's strategy to delay the negotiations for as long as possible. He candidly observed that Israel's political leverage with the administration would improve as the 1976 U.S. presidential elections drew closer.²⁵⁸

Kissinger's frustration increased as he found himself unable to persuade Israeli leaders to accept compromises that he believed were in their own national interest. During his unsuccessful March 1975 shuttle mission he told his Israeli counterparts, "One reason I and my colleagues are so exasperated is that we see a friend damaging himself for reasons which will seem trivial five years from now." He continued, "It's tragic to see people dooming themselves to a course of unbelievable peril."²⁵⁹ Similarly, Ford wrote to Prime Minister Rabin,

I wish to express my profound disappointment over Israel's attitude in the course of the negotiations...I have given instructions for a reassessment of United States policy in the region, including our relations with Israel, with the aim of ensuring that over-all American interests ...are protected. You will be notified of our decision.²⁶⁰

The following day Kissinger announced that his negotiating effort was being suspended, and he left Israel.

There is some debate as to whether Ford or Kissinger was the primary advocate of the tougher line with Israel. Ford's relative distance from the actual negotiations versus

²⁵⁸Spiegel, The Other Arab-Israeli Conflict, 289.

²⁵⁹Sheehan, The Arabs, Israelis, and Kissinger, 161-62.

²⁶⁰Rabin, The Rabin Memoirs, 256.

Kissinger's immersion in every detail (with the associated effect on personal prestige that would accompany success or failure) suggests that the "reassessment" letter was primarily a tactical maneuver by Kissinger. At one point Kissinger publicly accused the Israeli leadership of an attempt to "bring him down."²⁶¹ The President's public statements were consistent with Kissinger's throughout the episode, and Ford publicly lamented Israel's behavior. Ford said, "All my life I fought for Israel and now when I need understanding from them I get a refusal." He also made it known that he viewed Rabin as the primary obstacle to progress in the negotiations.²⁶² The lack of results of the reassessment threats added to Ford and Kissinger's frustration. The image of Rabin defying the threat of American sanctions served to enhance his personal prestige and political standing in Israeli public opinion.²⁶³ Nevertheless, once the United States had committed itself to the reassessment policy it had to follow through or face a loss of credibility.

From March to September 1975 Washington conducted its reassessment, one component of that was the refusal by the United States to conclude any new arms agreements with Israel. This was clearly one of the most difficult periods in the history of the bilateral relationship, and Ford described the period as a "test of wills."²⁶⁴ A breakthrough resulted from a new round of shuttle diplomacy by Kissinger in August

²⁶¹Quandt, Decade of Decisions, 268.

²⁶²See The New York Times, 28 March 1975.

²⁶³Pollock, The Politics of Pressure, 189.

²⁶⁴Ford, A Time to Heal, 298.

1975, which became known as the Sinai II agreement.²⁶⁵ As a corollary to the agreement between Israel and Egypt, a Memorandum of Understanding was reached between the United States and Israel that substantially increased economic and military assistance, provided oil to compensate Israel for the return of the Sinai oil fields, pledged to consult with Israel before undertaking Middle East peace initiatives, and agreed not to recognize or negotiate with the PLO as long as that organization refused to recognize Israel and renounced the use of violence.²⁶⁶

In the weeks that followed the Sinai II agreement the U.S.-Israel relationship gradually returned to normalcy. This process was facilitated by Ford's decision to resume military sales and assistance at levels higher than those that existed prior to the reassessment.

Military Sales and Assistance

Unlike the first period (1948-60) when arms transfers were limited in an attempt to avoid a regional arms race with the Soviets (and by the Tripartite Agreement of 1950), during this period the United States became a major supplier of offensive and defensive systems.²⁶⁷ Two policy objectives were associated with the increase of American arms transfers: a settlement of the Arab-Israeli conflict; and maintaining the balance of power

²⁶⁵Ben-Zvi, The United States and Israel, 94-96.

²⁶⁶Rabin, The Rabin Memoirs, 274.

²⁶⁷David Pollock's study The Politics of Pressure (Westport, CT: Greenwood Press, 1982), provides a thorough description and analysis of the use of arms sales as a vehicle for political influence during this period. For additional discussion of the role of arms transfers to both Israel and Arab states see Nadav

between the Arab states and Israel (see Table 3-1).

In January 1961 the Kennedy administration's formula concerning arms to Israel was consistent with the previous administration; European weapons and American financial assistance in exchange for Israeli concessions on other issues.²⁶⁸ When Prime Minister Ben-Gurion lobbied Kennedy for the sale of Hawk anti-aircraft missiles the President sought reassurances on Israel's nuclear efforts and concessions pertaining to refugee matters. The Hawk missile sale eventually was approved after considerable debate within the administration. The rationale that was offered to support the decision had two components: the defensive nature of the system, and the need to maintain the regional balance of power. The State Department's position was that the sale did not amount to a reversal of U.S. arms sales policies, and that the U.S. did not intend to become a major weapons supplier to either the Arab states or Israel.²⁶⁹ Nevertheless, by 1962 it became apparent that further arms transfers would be tied to other issues in the bilateral relationship, particularly progress in the Arab-Israeli peace process. In a meeting between Kennedy and Foreign Minister Golda Meir the President drew a correlation between movement on Israel's arms requests and other areas. "We have to concern ourselves with the whole Middle East. On these questions of water, the UN role and reprisals, of refugees and missiles...we are asking the cooperation of Israel in the same

Safran, From War to War (New York: Pegasus, 1969), 143-90, 205-56.

²⁶⁸This was a pattern which would be repeated by the Johnson and Nixon administrations, both with relatively limited success.

²⁶⁹Spiegel, The Other Arab-Israeli Conflict, 108-09.

way that we are cooperating with Israel."²⁷⁰ Concerning a U.S. security guarantee, Kennedy sought to reassure Meir that the United States could intervene militarily if this was necessary. He said, "I think it is quite clear that in case of an invasion the United States would come to the support of Israel."²⁷¹

The military buildup by Egypt and Syria during the 1960s was another factor that contributed to a change in U.S. policy. The Soviets armed Egypt and other Arab states that supported Nasser's pan-Arab nationalist movement. In addition to Israel, the pro-Western monarchies (Jordan and Saudi Arabia) also felt threatened by Nasser's arms acquisitions and they turned to the United States to preserve the balance of power in the region. Initially, American efforts were directed at persuading Nasser to curtail his military buildup, but these efforts proved unsuccessful. The U.S. attempted to restore the balance after the United States concluded that the balance of power was shifting in Nasser's favor (which might cause Israel to launch a preemptive war).

There was bureaucratic opposition to the changing American role both in Jerusalem and in Washington. Abba Eban recalled,

Although [Israel's] relations with France still seemed cordial and the supply belt was running smoothly, we had reached the stage where we could not maintain a balance of power without an American component in armor and aircraft. There were some in Israel, especially in the Defense Ministry, who were reluctant to diversify our supply policy, fearing that by introducing American planes, we might alienate the French aircraft industry and perhaps the French government itself.²⁷²

²⁷⁰Schoenbaum, The United States and the State of Israel, 136-37.

²⁷¹Spiegel, The Other Arab-Israeli Conflict, 107.

²⁷²Eban, An Autobiography, 299.

In a January 1964 memorandum, which counseled against new sales of tanks to Israel the Joint Chiefs of Staff, observed that, "U.S. objectives include the maintenance of military equilibrium between Israel and its Arab neighbors." The memo concluded that, "the military equilibrium presently existing among Near Eastern states does not warrant immediate action to supply major quantities of arms to any of these countries. The highest priority effort should be directed toward achieving agreement among Middle East arms suppliers to restrict the flow of arms into the area."²⁷³ The following month a Central Intelligence Agency estimate also warned of the potential consequences of sales of U.S. tanks to Israel.

To provide them would reverse a long-standing U.S. policy, and we would face a sharp decline in relations. However, as long as the U.S. refrains from concrete support for Israel on issues that threaten Arab security, Arab reactions are not likely to do serious or lasting damage.²⁷⁴

Similarly, the State Department advocated maintaining the established U.S. policy that encouraged Israel to seek its military equipment in Western Europe. In a guidance memorandum on the subject the State Department informed the relevant embassies and government agencies,

[A] Clear consensus [exists that it is] contrary to US interests to sell military aircraft to Israel. We propose tell Israel Embassy here (Washington) we expect detailed evidence of GOI (Israel's) effort to procure Western Europe aircraft. If, after intensive effort,

²⁷³Joint Chiefs of Staff Memorandum JCSM 40-64, "Arms for Israel," 18 January 1964, Israel: National Security Files, 1963-1969 (microfilm).

²⁷⁴Central Intelligence Agency, Office of National Estimates, Special Memorandum no. 64, 25 February 1964, Israel: National Security Files, 1963-1969 (microfilm).

[Israel] unable to find suitable aircraft, we intend to canvass Western European sources ourselves. Since we wish to steer Israel to Europe...we do not intend to furnish information on availability, price, characteristics, [regarding] potentially available US combat aircraft.²⁷⁵

Despite the American efforts to direct Israel to Europe for its military needs, a growing reluctance by the Western European governments to continue selling equipment to Israel contributed to a shift in U.S. policy.²⁷⁶ During Levi Eshkol's visit to Washington in June 1964 the Prime Minister lobbied the President for sales of tanks and aircraft (specifically the Skyhawk and the M-48). Johnson agreed in principle to supply the equipment, but in the months that followed tedious negotiations took place concerning conditions attached to the sales.²⁷⁷ The United States eventually agreed to provide the equipment provided Israel accepted the following conditions: drop its opposition to a proposed sale of weapons to Jordan; refrain from launching preemptive strikes against Arab states; and forswear the development or acquisition of nuclear weapons.²⁷⁸ In a Memorandum of Understanding the following year the United States agreed to help Israel

²⁷⁵Department of State Telegram #03188, "Israel Arms Procurement," 5 June 1965, Israel: National Security Files, 1963-1969 (microfilm).

²⁷⁶See Department of State Telegram #11176, 19 May 1965, and a letter from Ambassador Avraham Harman to Assistant Secretary of State Phillip Talbot dated 10 June 1965, in which Harman argued that Israel had exhausted its efforts in Europe and now viewed the F-4 Phantom as the aircraft best suited for Israel's defense requirements. The CIA also noted this trend in "Israel," National Intelligence Estimate 35-68, 11 April 1968, Israel: National Security Files, 1963-1969 (microfilm).

²⁷⁷Domestic pressure also contributed to Johnson's decision. Myer Feldman, Johnson's advisor for Jewish affairs, wrote to the President in May 1964, "I have rarely been exposed to as much pressure as I have had recently on the question of tanks for Israel." White House Memorandum from Myer Feldman to President Johnson, 11 May 1964, Israel: National Security Files, 1963-1969 (microfilm).

²⁷⁸Rabin, The Rabin Memoirs, 64-65.

meet some of its defense requirements through the sale of mutually agreed equipment. Underlying the shift to a declared military supply relationship was the assumption that in order to preserve regional stability it was necessary for Israel to maintain a military advantage (e.g., a credible conventional deterrent capability) over its Arab adversaries.²⁷⁹ Those who supported this position argued that if the Arab states believed they possessed the military capability to defeat Israel they would have no incentive to negotiate and considerable incentive to renew military hostilities.²⁸⁰ However, once the U.S. agreed to provide Israel with significant amounts of military equipment the bilateral debate shifted to the types and quantity of the materiel that would be provided rather than the political conditions associated with arms transfers.²⁸¹ By June 1965 Israel had submitted requests for the best aircraft in the American arsenal, the F-4 Phantom.²⁸²

During the first three years of the Johnson administration the scope and nature of the military supply relationship between the United States and Israel substantially expanded despite substantial opposition from the Department of Defense and Department of State. The U.S. went beyond the occasional supply of defensive weapons (e.g., the sale

²⁷⁹Memorandum of Understanding, 10 March 1965. See Schoenbaum, The United States and the State of Israel, 140-47.

²⁸⁰See Pollock, The Politics of Pressure, 17-56.

²⁸¹For a review of the decision to sell Phantoms see Mitchell G. Bard, The Water's Edge and Beyond (New Brunswick, NJ: Transaction Books, 1991), 189-212.

²⁸²The Phantom was viewed by American officials as a "balance shifter" in the Arab-Israeli strategic context. In response to the Israeli request for Phantoms the State Department advised the White House that, "Israeli officials are informally aware of the impossibility of supplying Phantoms." Department of State letter to McGeorge Bundy, "Israeli Request for Military Aircraft," 14 June 1965. Israel: National Security Files, 1963-1969 (microfilm).

of Hawk anti-aircraft missiles in 1962) to sophisticated offensive weapons including tanks and combat aircraft.²⁸³ By 1966 the sale of tanks and aircraft had merged into a single policy issue. Although the Pentagon acknowledged Israel's requirement of a multi-purpose fighter-bomber capable of penetrating Egypt's air defenses; this was balanced against the potential impact the sale would have on the strategic balance. The Pentagon settled on the idea of selling 200 M-48 tanks and up to twenty A-4 Skyhawks, while continuing to raise concerns about the prospect of "open-endedness" as Israel's supplier of last resort.²⁸⁴

After an initial delay, the military assistance relationship between the United States and Israel continued to develop during the Nixon administration. As a result of the outbreak of the June 1967 War the United States embargoed new arms sales both to Israel and the Arab states.²⁸⁵ One of Johnson's Five Principles of Peace was the reduction of the flow of weapons to both sides of the conflict. However, the Soviets were not constrained by the American initiative and rapidly rearmed Egypt and Syria. Nixon and Kissinger were primarily concerned with the danger of a regional conflict drawing the superpowers into a military, and possibly a nuclear, confrontation. They believed that it was essential to avoid another war in the region, and this would be achieved by maintaining the military balance in Israel's favor thus deterring the Arab states from initiating a war.²⁸⁶

²⁸³Rabin, The Rabin Memoirs, 64-65.

²⁸⁴Schoenbaum, The United States and the State of Israel, 145.

²⁸⁵Spiegel, The Other Arab-Israeli Conflict, 158-64.

²⁸⁶Quandt, Decade of Decisions, 81.

Nixon inherited Johnson's December 1968 decision to supply 100 A-4 Skyhawks and 50 F-4 Phantoms to Israel, and he was not disposed to consider additional sales in 1969. Johnson's decision to supply the Phantoms represented an important shift in the arms supply relationship. Beyond preserving a balance of power, the U.S. now committed itself to provide Israel with a qualitative edge over the equipment being supplied to the Arab states by the Soviets.²⁸⁷ Subsequent to that sale, maintaining Israel's qualitative edge became the mantra of the arms supply relationship.

Direct and indirect Soviet intervention in Egypt, and the escalation of the War of Attrition in the summer of 1970, caused Nixon to renew arms transfers to Israel.²⁸⁸ The President assured Ambassador Yitzhak Rabin that some of Israel's aircraft losses would be replaced, and that the balance of forces would remain in Israel's favor. Nixon previously committed the U.S. to maintaining the balance in Israel's favor when he stated, "the first urgency is for America not to allow the balance to shift in favor of the militant Arab states...The United States must see to it that Israel's military is never at a level vis-à-vis the Arab militants that will invite a war of revenge."²⁸⁹ Concerning maintaining Israel's qualitative advantage of its adversaries Nixon said,

The balance must be tipped in Israel's favor...[we] support a policy that would give Israel a technological military margin to more than offset her hostile neighbors' numerical superiority. If maintaining

²⁸⁷For the Arab response to the Phantom sales see The New York Times, 15 February 1970, and 10 September 1971.

²⁸⁸For a discussion of the events which contributed to the escalation between Israel and Egypt see Reich, Quest for Peace, 79-240.

²⁸⁹Mordechai Gazit, "Israeli Military Procurement," in Sheffer, ed., Dynamics of Dependence, 105.

that margin should require...supersonic Phantom F-4 jets--we should supply those Phantom jets.²⁹⁰

Nixon preferred to keep the discussion of arms transfers to Israel limited to a very small group of individuals and away from media attention (and presumably the State Department). Nixon apparently disliked the perception that his decisions were influenced by domestic political factors, and he expressed disdain for the State Department's unwelcome involvement in the matter. Nixon grudgingly spoke of an instance when, "bureaucrats opposed to an arms deal were able to postpone it."²⁹¹ According to Rabin, Nixon instructed him that,

Whenever you request arms--particularly planes--the media sound off and everyone waits for the administration's decision. That's a superfluous and harmful dramatization of the matter. You can be sure that I will continue to supply arms to Israel, but I shall do so in other, different, ways. The moment Israel needs arms, approach me, by way of Kissinger, and I'll find a way of overcoming the bureaucracy.²⁹²

The most significant episode related to military sales and assistance during this period involved the massive resupply effort during and after the Yom Kippur War. The massive scope and military significance of the airlift were unprecedented, especially given the brief time frame.²⁹³ The United States also guaranteed to replace Israel's

²⁹⁰The New York Times, 9 September 1968.

²⁹¹Kissinger, White House Years, 572; Eban, An Autobiography, 466; and Rabin, The Rabin Memoirs, 175.

²⁹²Rabin, The Rabin Memoirs, 171-72.

²⁹³The airlift totaled 550 supply missions that delivered more than 22,000 tons of equipment. Among the items delivered were 40 F-4 Phantoms, 38 A-4 Skyhawks, 12 C-130 transports, 20 tanks, plus spare parts and ammunition. See Pollock, The Politics of Pressure, 157-217.

combat losses, which eliminated the need for Israel to maintain reserve stocks.²⁹⁴ In addition to initial deliveries valued at \$825 million, Nixon requested that Congress appropriate \$2.2 billion in emergency military assistance (of which \$1.5 billion was in outright grants). This sum represented a 400% increase from the amount of military assistance provided in the previous peak year of 1971.²⁹⁵

The new level of military assistance, coupled with Nixon's earlier commitment to maintain Israel's qualitative advantage, exemplified the changes that occurred in the military assistance relationship. The U.S. had become the primary arms supplier in the region, and committed itself to a long-term military assistance relationship with Israel; roles it specifically avoided for two decades.

This pattern remained consistent during the Ford administration, and the military assistance relationship continued to expand following the "reassessment" episode. In January 1976 Ford approved aid levels higher than had been recommended by his advisers, and ordered that Israel be placed ahead of all other states in terms of U.S. arms deliveries. The administration also approved the sale of F-15 and F-16 aircraft in quantities beyond that which Israel could afford to purchase.²⁹⁶ Rabin observed that largely due to American assistance during this period, "the tank force had grown by more than 50 percent, mobile artillery by more than 100 percent, APCs by 800 percent, and

²⁹⁴Kissinger, Years of Upheaval, 493-515.

²⁹⁵Mordechai Gazit, "Israeli Military Procurement," in Sheffer, ed. Dynamics of Dependence, 111.

²⁹⁶Gazit, "Israeli Military Procurement," in Sheffer, ed. Dynamics of Dependence, 115.

planes by 30 percent."²⁹⁷ The only significant disagreement involved the American refusal to grant Israel licenses to manufacture F-16s in Israel.²⁹⁸

Economic Assistance

Bilateral economic assistance remained relatively constant during the first decade of this period (see Table 3-2). However, during the last five years the scope and context of economic assistance experienced substantial growth.²⁹⁹ From 1961-74 the bulk of U.S. economic assistance was delivered under the P.L. 480 food assistance program and through Export-Import Bank development loans. However, between 1974-80 P.L. 480 funds were gradually reduced and then eliminated. In 1972 Israel began to receive U.S. economic assistance under the Security Supporting Assistance (SSA) program. SSA funds were designed to promote economic and political stability in states that were deemed important to U.S. security interests. Although economic in nature, SSA aid was usually granted for political or security reasons rather than solely for economic development purposes. Unlike P.L. 480 funds, SSA transfers placed few constraints on the recipient and required few oversight procedures.³⁰⁰ Initially, from 1975 to 1981 SSA

²⁹⁷Rabin, The Rabin Memoirs, 505.

²⁹⁸This issue was revisited during the debate concerning the Lavi, and will be discussed in the next chapter.

²⁹⁹For a review of U.S. foreign assistance to Israel during this period see Marvin C. Feuerwerker, Congress and Israel: Foreign Aid Decision-Making in the House of Representatives, 1969-1976 (Westport, CT: Greenwood Press, 1979).

³⁰⁰There were some limitations including a prohibition from spending these funds in the Occupied Territories or for military purposes. See Leopold Laufer, "U.S. Aid to Israel," in Gabriel Sheffer, ed., Dynamics of Dependence (Boulder, CO: Westview, 1987), 133.

funds were channeled through the Commodity Import Program (CIP), which assured that at least a portion of the funds would be used to purchase commodities from the United States. However, this proved cumbersome and direct cash transfers became the standard transfer method.

Beginning in 1972 the primary form of economic assistance was in the form of grants (rather than loans) with no repayment requirements.³⁰¹ In addition to less constrained terms of transfer, the amounts of economic assistance increased substantially during this period.³⁰² This was the beginning of a trend that continued through the next period of this study (1977-1992). Economic assistance to Israel clearly benefited from broad bipartisan support, and from 1970 to 1976 Congress consistently appropriated amounts that exceeded the administrations' requests (at times by as much as thirty percent). For example, in 1972 Congress appropriated \$50 million in unrequested assistance. Funds were also earmarked for Israel, which precluded the possibility of diversion or impoundment, a move that at one point was threatened by a State Department official.³⁰³ In contrast, during the same period Congress reduced other foreign aid appropriations by as much as twenty percent beneath administrations' requests.³⁰⁴

³⁰¹Between 1976-1980 another \$1.275 billion in loans was provided, but this was one-third of the amount provided in the form of grants.

³⁰²Feuerwerger, Congress and Israel, 29-33.

³⁰³The appropriation legislation stated that the funds, "shall be available only for Israel." Laufer, "U.S. Aid to Israel," in Sheffer, ed., Dynamics of Dependence, 139.

³⁰⁴Feuerwerger, Congress and Israel, 29-30.

Bilateral Trade

The period from 1961 to 1976 was characterized by substantial increases in Israel's general trade deficit and its trade deficit with the United States (see Table 3-4). This trend can be attributed both to domestic and international factors. Prior to 1973 exports as a percentage of imports increased annually and reached about 60%. In 1966 Prime Minister Eshkol initiated a new effort to make Israeli industry more efficient and "export-minded," and the effort enjoyed some success.³⁰⁵ In assessing Israel's economic situation after the 1967 war State Department officials concluded that, "Israel emerged from the war in a stronger economic position than before...As a result of the war Israel acquired, at least temporarily, additional sources of foreign exchange."³⁰⁶ However, by the mid-1970s Israel's economy, which had experienced rapid growth, relatively low inflation, and full employment during its first twenty-five years (despite large defense expenditures) slowed to zero annual growth.³⁰⁷ This was due in part to substantial increases in the cost of raw materials and the international recession that accompanied the oil crisis of 1973. Israel's inability to respond effectively to the changing economic

³⁰⁵These efforts caught the attention of the White House. See memorandum from NSC staffer Harold H. Saunders to Walter W. Rostow, 20 September 1967, Israel: National Security Files, 1963-1969 (microfilm).

³⁰⁶Department of State Memorandum, 18 September 1967, from Asst. Secretary of State Lucius Battle to Secretary Rusk. The resources cited were the Sinai oil fields, the Old City of Jerusalem, and captured military equipment. Israel: National Security Files, 1963-1969 (microfilm).

³⁰⁷See Stanley Fischer, "Israeli Inflation and Indexation," in Bernard Reich and Gershon R. Kieval, eds., Israel Faces the Future (New York: Praeger, 1986), 94-96.

environment also contributed to its economic difficulties.³⁰⁸ Continued dependence on the influx of foreign capital inhibited progress toward economic independence and self-sufficiency. Over \$10 billion of import capital helped sustain the economy during the first two decades. This influx of capital provided economic planners with a financial safety net of sorts, and allowed Israel to continue to meet the demands of the population through the import of consumer goods that contributed to an artificially high standard of living. The problem became particularly acute in 1970 when the balance of trade deficit more than doubled in a single year. Additionally, the infusion of American substantial economic assistance in 1975 helped Israel delay confronting its economic problems.

By the early 1960s the European Common Market and Free Trade Area had emerged as Israel's primary trade partner, and accounted for more than half of all imports. Combined, the United States and Western Europe now supplied over eighty percent of Israel's imports, and received two-thirds of its exports. Imports from the United States gradually declined as a percentage of total imports, from one-third at the beginning of the period to roughly one-sixth by 1976. Despite an effort to diversify its exports, polished diamonds and citrus continued to account for a majority of Israel's exports.³⁰⁹ The percentage of Israel's exports to the United States remained consistent from 1961 to 1976 at around sixteen percent. However, there was a substantial increase in the imbalance of U.S.-Israel bilateral trade in financial terms to Israel's disadvantage.

³⁰⁸The attempt to stabilize the economy, known as the Mitun (recession), began in 1965. For a discussion of the policy and its effects see Kenneth A. Stammerman, "Economic Adjustment and the Politics of Stabilization Policy in Israel," in Reich and Kieval, eds., Israel Faces the Future, 120-39.

³⁰⁹Specific totals of bilateral trade by product category were not maintained until the end of this period.

Vietnam

One indication of the closer relations between the United States and Israel during this period was the efforts by the Johnson administration to obtain Israeli support for American efforts in Vietnam. The United States requested that Israel provide technical assistance to South Vietnam, and make political gestures that could be interpreted as support for American policy. From the perspective of the Johnson administration there were international and domestic advantages to be gained as a result of Israeli association with its Vietnam policy. Vocal opposition to military intervention in Vietnam was expressed by many of the same progressive liberal elements that supported Johnson's Great Society and civil rights agendas. American Jews were a significant and outspoken element of this group. However, similar to the division that existed in other ethnic and religious groups, there was also a division of opinion within the Jewish community concerning Johnson's Vietnam policies.

Johnson saw many similarities between Israel's security situation and that of South Vietnam. Israel, like South Vietnam, was a small state in a hostile region that faced potential aggression from external threats. Administration officials reminded prominent American Jews of what the President had done for Israel, and in an effort to draw a parallel to Vietnam argued that, "Israel's fate depends on the credibility of U.S. commitments."³¹⁰ The President expected that Israel and its supporters in the United States would recognize the similarities between the two states and support his efforts to

³¹⁰Schoenbaum, The United States and the State of Israel, 147.

assist a distant ally facing aggression. He was, therefore, somewhat perplexed by the opposition of many American Jews toward his Vietnam policy. On more than one occasion Johnson observed of American Jews, "They want me to protect Israel, but they don't want me to do anything in Vietnam."³¹¹ He also recounted a meeting in May 1967 (during the period of escalation prior to the June 1967 War) in which, "A bunch of Rabbis came here one day in 1967 to tell me that I ought not to send a single screwdriver to Vietnam, but on the other hand, should push all our aircraft carriers through the Straits of Tiran to help Israel."³¹²

In January 1966 during U.S. Ambassador Walworth Barbour's first official meeting with the new Israeli Foreign Minister (Abba Eban) Barbour, "stressed the importance [the] U.S. government attached to Israel's pitching in appropriately in Vietnam effort," and, "urged that [the government of Israel] give urgent and favorable consideration to assistance for Vietnam." Barbour conceded that due to its limited resources Israeli assistance could not be, "massive...but the fact of Israel's helping would be significant to world public opinion on Vietnam issue."³¹³

It became apparent that for a number of reasons Israel was not particularly interested in visibly associating itself with American intervention in Vietnam. First, Israel had to consider the strong opposition within much of the American Jewish

³¹¹Spiegel, The Other Arab-Israeli Conflict, 129.

³¹²Eban, An Autobiography, 460.

³¹³Department of State, Incoming Cable #579, from American Embassy in Tel Aviv, 19 January 1966. Israel: National Security Files, 1963-1969 (microfilm).

community toward Johnson's Vietnam policy. Israel relied on the financial support, political influence, and goodwill of the American Jewish community, and saw little potential benefit in taking a position so contrary to the views of a large segment of that group. Second, in the view of Israeli officials the government of South Vietnam had never acted in support of Israel in a manner that would warrant assistance to Vietnam. For example, South Vietnam had not established diplomatic relations with Israel prior to seeking Israeli assistance. Despite these factors Prime Minister Eshkol and his government preferred to avoid a direct refusal of the American request out of concern for the deleterious effect such a position might have on the bilateral relationship.

After a number of delays attributed to procedural issues, Israel extended an offer to the government of Vietnam to train fifteen agriculturists in Israel. In response, (in its instructions to Ambassador Barbour in Tel Aviv) the State Department observed that the, "Israeli offer is not a practically useful proposal at this time. [The State] Department believes only remaining question is whether government of Israel does or does not wish to participate in Vietnam." In an attempt to get Israel to reconsider its position the State Department instructed Barbour to inform Foreign Minister Eban that, "All possible background work for Israeli participation, including offer of diplomatic relations, has been completed." This was followed by a pointed instruction to inform Eban,

We want to observe voluntary principle in assistance to Vietnam, and hope Israel will respond positively. U.S. commitment in Vietnam is not without relevance for other areas as the President told Eban February 9. Israel would rightly be the first to be frightened if the U.S. were to 'cut and run' in Vietnam. You should note that U.S. is being most helpful to Israel currently, and that

reciprocal gestures will be well-received in Washington.³¹⁴

The U.S. continued to suggest that a relationship existed between continued U.S. assistance to Israel and events in Vietnam. In a White House meeting on April 18 Robert Komer, a White House staffer responsible for Near East affairs, informed Israeli Ambassador Avraham Harman that, "...in considering U.S. government's offer [the] government of Israel should bear in mind heavy demands from Vietnam."³¹⁵ During follow-up discussions in Jerusalem the following week with Ambassadors Barbour and Raymond Hare (from the State Department's Near East Bureau), Eshkol observed that Israel was a small nation that served as a gateway to Asia and Africa. In his view Israel's relations with Asia and Africa would suffer as a result of Israeli support for Vietnam. Hare countered that Vietnam had become the, "touchstone of American foreign policy, and that the U.S. considers...[the] government of Israel's relationships important." Foreign Minister Eban observed that it was unclear whether there was a majority of support in Israeli public opinion and the government for closer relations with Vietnam and added that, "...voices of dissent in the United States, particularly among intellectuals, [also] have considerable influence." At the same time Eban noted the importance of Israel's relations with the United States and remarked, "Whereas Israelis view the U.S. with great admiration, they do not have the same attitude toward Vietnam, which has never raised its voice on our behalf when we needed it." He concluded, "If Israel does establish

³¹⁴Department of State, Outgoing Cable #679, to American Embassy in Tel Aviv, 23 February 1966. Israel: National Security Files, 1963-1969 (microfilm).

³¹⁵Department of State, Outgoing Cable #870, to the American Embassy in Tel Aviv, 18 April 1966. Israel: National Security Files, 1963-1969 (microfilm).

diplomatic relations, it will because of regard for the U.S., not Vietnam."³¹⁶ In reporting the results of this meeting Hal Saunders, a National Security Council staffer, notified National Security Advisor Walter Rostow that Ambassadors Hare and Barbour "got nowhere" in their efforts to persuade Israel to change its position.³¹⁷ The President's frustration increased as he found himself unable to influence either Israel or American Jews to support his policies in Southeast Asia.

A few months after the unsuccessful mission by Ambassadors Hare and Barbour the President privately expressed his frustration during a White House meeting with the head of the Jewish War Veterans. Johnson's guest was sympathetic to the President's position. In an attempt to offer support for the President, he reported the details of their discussion to the media. A number of prominent American Jews interpreted Johnson's reported remarks as a thinly veiled threat to reduce American assistance to Israel unless American Jews altered their position on Vietnam. A political flap ensued that was quelled after a number of White House meetings between administration officials and leaders of the Jewish community, following which the administration issued a statement in which it denied a link between U.S. policy in the Middle East and Vietnam.³¹⁸

This public disagreement underlined the difference of opinion that existed between many American Jews and the Johnson administration over Vietnam. However,

³¹⁶Department of State, Incoming Cable #889, from American Embassy in Tel Aviv, 26 April 1966. Israel: National Security Files, 1963-1969 (microfilm).

³¹⁷National Security Council, letter from Hal Saunders to Walter Rostow, 2 May 1966. Israel: National Security Files, 1963-1969 (microfilm).

³¹⁸Spiegel, The Other Arab-Israeli Conflict, 130.

by the end of 1966 both sides preferred to put this dispute behind them, and the Johnson administration opted not to press its Vietnam case any further with the Jewish community. For American Jews the spiral toward another Arab-Israeli war in the spring of 1967 shifted their attention away from sparring with the President over Vietnam. In a report prepared for the President in the spring of 1967 (which resembled a strategy paper for the 1968 democratic nominee) the topic of Vietnam received only a brief mention. Beyond being referred to as a "serious problem area" largely attributed to the liberal and progressive political, social, intellectual, and professional tendencies among American Jews, the report failed to recommend a specific course of action. It concluded with the benign observation that, "Jews as a whole are about as divided in their attitudes toward Vietnam as the country as a whole; doubts and reservations are widespread but great numbers support the administration."³¹⁹ In contrast, the issues of American economic assistance and military sales to Israel received considerable attention and were presented as areas of great importance to American Jews.

By January 1968 Vietnam had been reduced to an ancillary issue in the bilateral relationship. The President was provided with a memorandum that listed six talking points in preparation for a visit by Prime Minister Eshkol, and Vietnam was fifth on the list.³²⁰ The only reference to Vietnam was a seven-word suggestion that the President

³¹⁹Memorandum for the President (preliminary draft), "1968: American Jewry and Israel," undated, in Israel: National Security Files, 1963-1969 (microfilm).

³²⁰The sixth was a reminder for Johnson to thank Eshkol for investing Israel Bonds in the United States.

request Eshkol convey, "Some quiet words to American Jewish leaders."³²¹

Summary

Cold War politics were a salient factor during this period, particularly in response to maintaining the regional military balance in the wake of Soviet arms transfers to Egypt and Syria. Cold War politics were also a factor prior to and after the outbreak of the Arab-Israeli wars in 1967, 1970, and 1973. The Nixon administration's regional approach (the Nixon Doctrine) identified a linkage between regional disputes, regional alliances, and superpower competition. However, the U.S. was reluctant to identify Israel as America's regional policeman in the eastern Mediterranean similar to the role played by Iran in the Persian Gulf region.

While Cold War politics were a factor during this period, the developing U.S.-Israel patron-client relationship was not solely a product of Cold War dynamics. Following the 1967 war a significant amount of U.S. effort was directed toward gaining the acceptance and implementation of UN Resolution 242, which was seen as the foundation of a negotiated settlement between the Arab states and Israel. The scope of the U.S.-Israel relationship significantly expanded in the wake of the 1967 war in political, military and economic terms. By the end of this period the U.S. was recognized as Israel's principal supporter in the international community, and Israel shifted the focus of its foreign policy and military acquisition efforts from Western Europe to the U.S.

³²¹Memorandum for the President, "Talking Points for Prime Minister Eshkol," 5 January 1968. Israel: National Security Files, 1963-1969 (microfilm).

This period was mixed in terms of the use of coercion and incentives, and there was evidence to support both the coercion and incentives models. However, the use of incentives emerged as the more successful influence strategy as the period progressed.

The most notable coercive influence attempts involved U.S. efforts to obtain Israeli support for U.S. policies in Vietnam and the reassessment policy in 1975. In the Vietnam episode, coercive diplomacy failed to achieve its objective. Despite repeated U.S. requests, Israel resisted associating itself with U.S. policies and intervention in Vietnam. In the reassessment case, coercive pressure failed to influence Israeli policy, but U.S. influence was ultimately successful (the Sinai II agreement) after the U.S. provided incentives to achieve Israeli compliance. Consequently, the incentives model best characterizes this case since it was the use of incentives that ultimately led to the successful outcome consistent with U.S. objectives.

The use of incentives-based influence became more common during this period, which represented a significant change from the previous period of this study. For example, in 1962 Kennedy explicitly identified U.S. expectation of “political reciprocity” in granting Israel’s request for military sales (the first direct sale of military equipment to Israel). The Nixon administration employed an incentives-based influence strategy in which the U.S. was prepared to respond favorably to military sales requests in exchange for Israeli flexibility in the peace process. Similarly, after failing in its attempted use of coercive influence, the Ford administration used political, economic, and military incentives in its successful bid to influence Israel with regard to the peace process.

The balance of influence during this period continued to favor the patron rather

than the client, although the record was more mixed than during the previous period. Repeated Israeli influence attempts aimed at obtaining security guarantees from the U.S., including an extraordinary request two weeks prior to the 1967 war, were unsuccessful. Additionally, Israeli requests for U.S. intervention to break the Egyptian blockade of the Straits of Tiran, consistent with U.S. assurances following Israel's withdrawal from Sinai in 1957, were also denied beyond diplomatic statements.

While there was significant growth in the bilateral military transfer relationship during this period, it is important to not overstate the impact of Israeli influence on this trend. American decisions to expand military transfers to Israel were less a result of successful Israeli influence than they were the products of U.S. assessments that these transfers served the interests of promoting regional stability and reduced the likelihood of U.S. military intervention. Additionally, the Nixon administration (and subsequent administrations) recognized the utility and effectiveness of using military transfers as incentives to influence Israel.

The outcomes of American influence attempts were mixed during this period, although a gradual shift away from the use of coercion and toward the use of incentives was evident. The Vietnam episode again demonstrated that there were limits to American influence, particularly with regard to the use of coercive diplomacy. However, American successes in the peace process demonstrated that it could influence Israel despite its resistance, and even when important national interests were at stake.

Table 3-1

U.S. Military Assistance to Israel, 1961-1976
(\$millions)

Year	Total	Loan	Grant	MILEX	Mil Asst %/MILEX	CGE	MILEX %/CGE
1961	0.0	0.0	0.0	*	*	*	*
1962	13.2	13.2	0.0	*	*	*	*
1963	13.3	13.3	0.0	*	*	*	*
1964	0.0	0.0	0.0	*	*	*	*
1965	12.9	12.9	0.0	*	*	*	*
1966	90.0	90.0	0.0	*	*	*	*
1967	7.0	7.0	0.0	*	*	*	*
1968	25.0	25.0	0.0	976.0	2.6%	2241.0	43.6%
1969	85.0	85.0	0.0	1288.0	6.6%	3068.0	42.0%
1970	30.0	30.0	0.0	1706.0	1.8%	3582.0	47.6%
1971	545.0	545.0	0.0	1710.0	31.9%	4062.0	42.1%
1972	300.0	300.0	0.0	1613.0	18.6%	4474.0	36.1%
1973	307.5	307.5	0.0	5309.0	5.8%	10330.0	51.4%
1974	2482.7	982.7	1500.0	4338.0	57.2%	11070.0	39.2%
1975	300.0	200.0	100.0	4957.0	6.1%	11929.0	41.6%
1976	1500.0	750.0	750.0	5191.0	28.9%	13038.0	39.8%
TQ	200.0	100.0	100.0				
Total	4790.2	2340.2	2450.0	19795.0		46367.0	

CGE= Central Government Expenditures

MILEX= Military Expenditures

* = Data not available

1968-72= constant \$1976

1973-76= constant \$1980

Source: ACDA, World Military Expenditures and Arms Transfers, various years,
and JCSS, Middle East Military Balance, 1993-94.

Chart 3-1

U.S. Military Assistance to Israel, 1961-1976

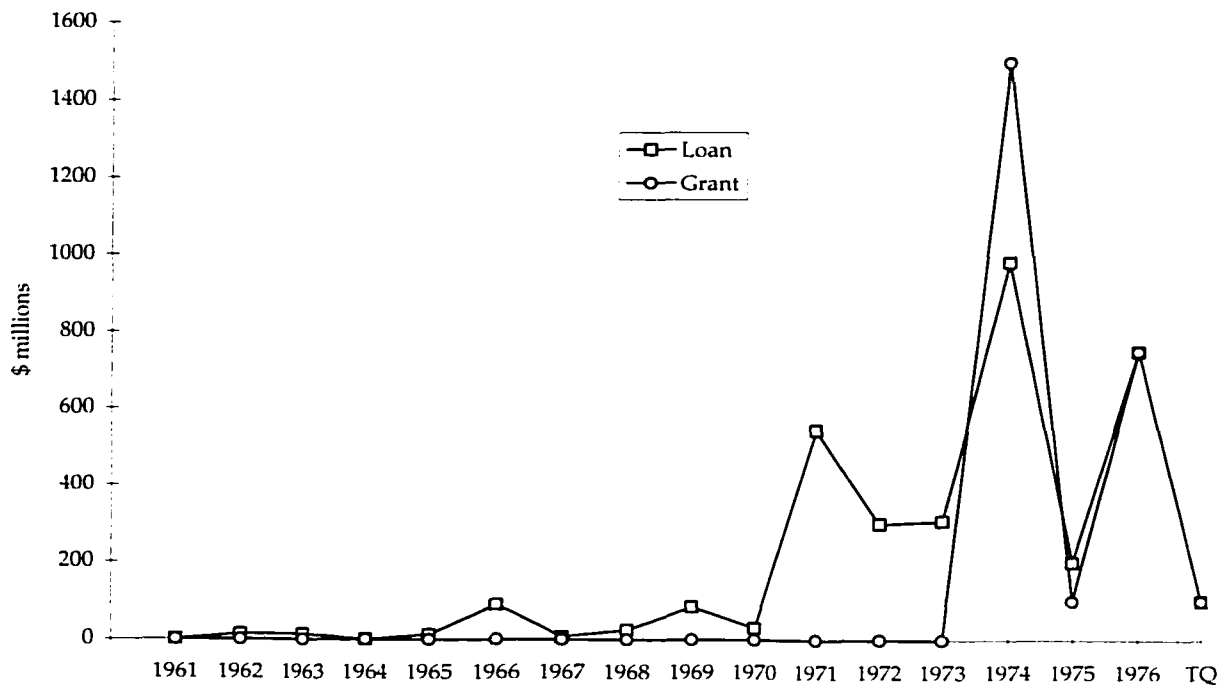


Table 3-2

U.S. Economic Assistance to Israel, 1961-1976
(\$millions)

Year	Total	<u>ESF</u>		<u>Other(1)</u>		<u>Total</u>		CGE	ECO ASST as % CGE
		Loans	Grants	Loans	Grants	Loans	Grants		
1961	77.9	16.0	8.5	43.6	9.8	59.6	18.3	*	*
1962	80.2	45.0	0.4	28.0	6.8	73.0	7.2	*	*
1963	74.6	45.0	0.0	23.6	6.0	68.6	6.0	*	*
1964	37.0	20.0	0.0	12.2	4.8	32.2	4.8	*	*
1965	52.2	20.0	0.0	27.3	4.9	47.3	4.9	*	*
1966	36.8	10.0	0.0	25.9	0.9	35.9	0.9	*	*
1967	16.7	5.5	0.0	9.6	1.6	15.1	1.6	*	*
1968	81.5	0.0	0.0	75.0	6.5	75.0	6.5	2241.0	3.6%
1969	75.3	0.0	0.0	74.7	0.6	74.7	0.6	3068.0	2.5%
1970	63.6	0.0	0.0	50.7	12.9	50.7	12.9	3582.0	1.8%
1971	89.3	0.0	0.0	86.5	2.8	86.5	2.8	4062.0	2.2%
1972	130.9	0.0	50.0	74.9	6.0	74.9	56.0	4474.0	2.9%
1973	185.3	0.0	50.0	80.5	54.8	80.5	104.8	10330.0	1.8%
1974	138.6	0.0	50.0	47.3	41.3	47.3	91.3	11070.0	1.3%
1975	478.0	0.0	344.5	71.0	62.5	71.0	407.0	11929.0	4.0%
1976	837.7	225.0	475.0	119.1	18.6	344.1	493.6	13038.0	6.4%
TQ	92.5	25.0	50.0	16.2	1.3	41.2	51.3		
Total	2548.1	411.5	1028.4	866.1	242.1	1277.6	1270.5	63794.0	

1 = See Table 3-3 for breakdown of this category

* = Data not available for these years

TQ = Transitional Quarter, when U.S. fiscal year changed from June to September

CGE = Central Government Expenditures

ESF = Economic Support Funds

Source: Congressional Research Service, Israel: U.S. Foreign Assistance, CRS Issue Brief IB85066, 3 March 1995

Chart 3-2

U.S. Economic Assistance to Israel, 1961-1976

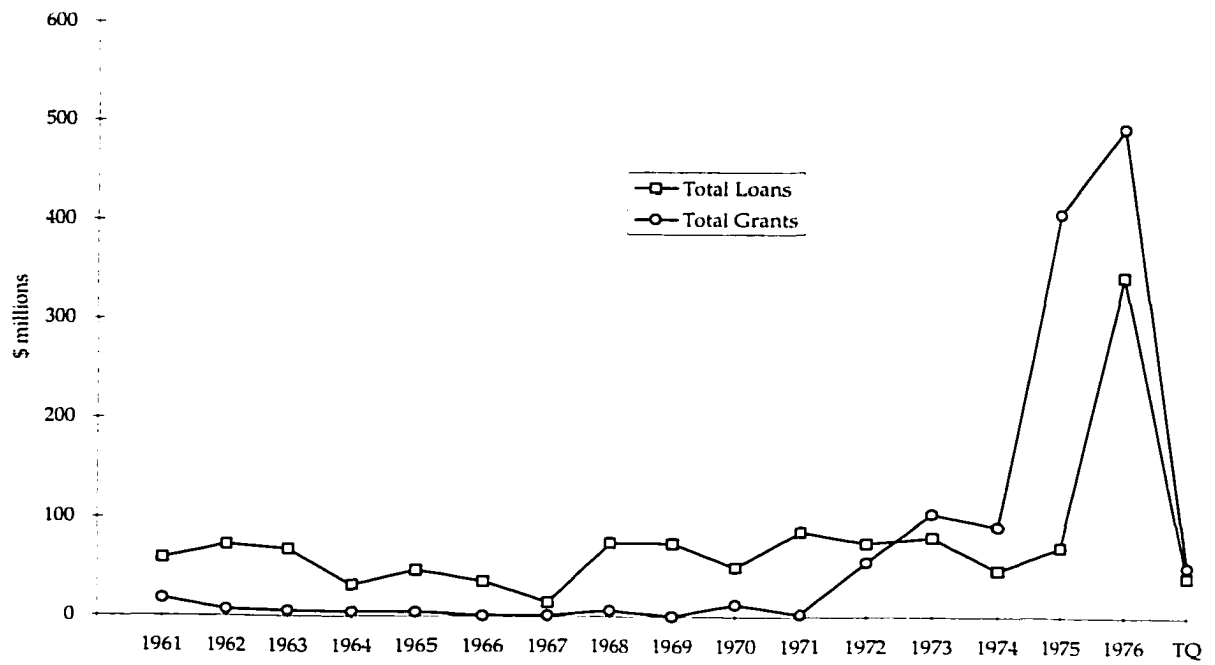


Table 3-3

Other Economic Assistance by Category, 1961-1976
(\$millions)

Year	Export- Import Loan	P.L. 480 <u>Food for Peace</u> Loan	Grant	JRR Grant	AS&H Grant	Housing Loan Guaranty	Special Grant
1961	29.8	13.8	9.8	0.0	0.0	0.0	0.0
1962	9.5	18.5	6.8	0.0	0.0	0.0	0.0
1963	11.2	12.4	6.0	0.0	0.0	0.0	0.0
1964	0.0	12.2	4.8	0.0	0.0	0.0	0.0
1965	3.4	23.9	4.9	0.0	0.0	0.0	0.0
1966	0.0	25.9	0.9	0.0	0.0	0.0	0.0
1967	9.6	0.0	0.6	0.0	1.0	0.0	0.0
1968	23.7	51.3	0.5	0.0	6.0	0.0	0.0
1969	38.6	36.1	0.6	0.0	0.0	0.0	0.0
1970	10.0	40.7	0.4	0.0	12.5	0.0	0.0
1971	31.0	55.5	0.3	0.0	2.5	0.0	0.0
1972	21.1	53.8	0.4	0.0	5.6	50.0	0.0
1973	21.1	59.4	0.4	50.0	4.4	0.0	0.0
1974	47.3	0.0	1.5	36.5	3.3	25.0	0.0
1975	62.4	8.6	0.0	40.0	2.5	25.0	20.0*
1976	104.7	14.4	0.0	15.0	3.6	25.0	0.0
TQ	12.6	3.6	0.0	0.0	1.3	0.0	0.0
Total	436.0	430.1	37.9	141.5	42.7	125.0	0.0

JRR = Jewish Refugee Resettlement Program

AS&H = American Schools and Hospitals Program

* = Special Grant for desalting plant

Source: Congressional Research Service, Israel: U.S. Foreign Assistance,
Issue Brief IB85066, 3 March 1995

Table 3-4

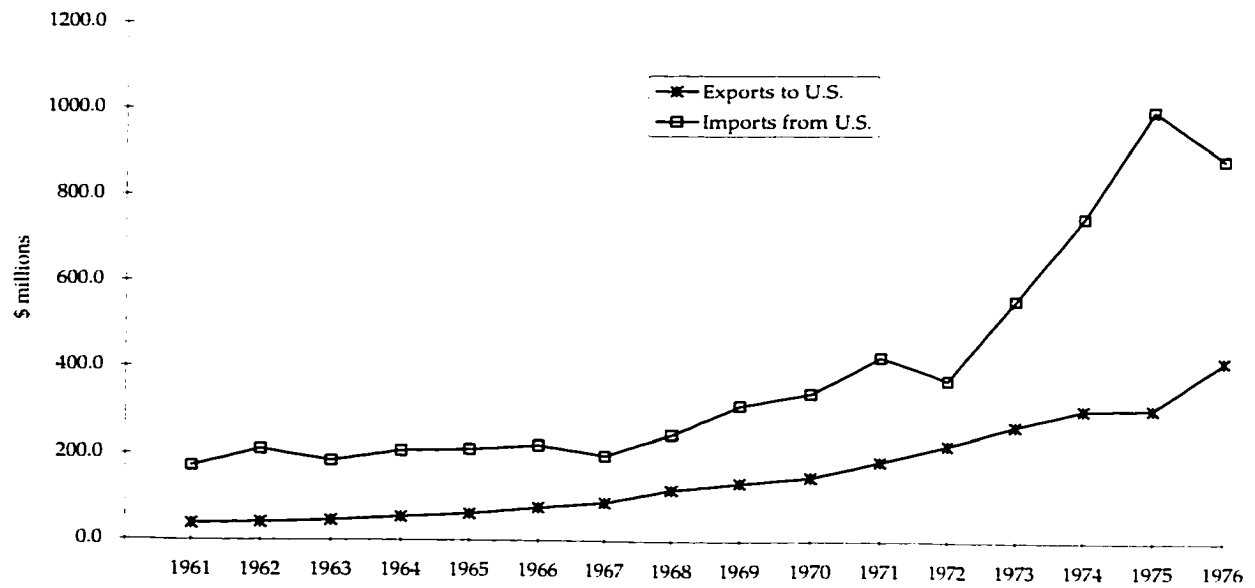
Israel's Balance of Trade and Trade with the U.S., 1961-1976
(\$millions)

Year	Total Exports	Total Imports	Balance	Exports to U.S.	Imports from U.S.	Balance	Exports to U.S. as % of total	Imports from U.S. as % of total
1961	238.5	521.2	-282.7	39.2	173.1	-133.9	16.4%	33.2%
1962	271.4	549.3	-277.9	42.3	212.3	-170.0	15.6%	38.6%
1963	337.1	595.9	-258.8	46.4	185.2	-138.8	13.8%	31.1%
1964	349.6	730.4	-380.8	54.7	208.0	-153.3	15.6%	28.5%
1965	403.4	832.2	-428.8	62.4	211.6	-149.2	15.5%	25.4%
1966	458.6	801.4	-342.8	77.5	220.3	-142.8	16.9%	27.5%
1967	554.5	777.9	-223.4	89.9	198.1	-108.2	16.2%	25.5%
1968	639.2	1120.8	-481.6	119.3	247.8	-128.5	18.7%	22.1%
1969	729.3	1330.6	-601.3	135.7	313.8	-178.1	18.6%	23.6%
1970	781.7	2086.4	-1304.7	149.1	342.3	-193.2	19.1%	16.4%
1971	961.3	2388.2	-1426.9	185.5	426.6	-241.1	19.3%	17.9%
1972	1149.2	2476.8	-1327.6	223.5	373.2	-149.7	19.4%	15.1%
1973	1448.2	4240.1	-2791.9	267.6	560.9	-293.3	18.5%	13.2%
1974	1824.8	5443.8	-3619.0	305.6	753.0	-447.4	16.7%	13.8%
1975	1941.0	6076.5	-4135.5	307.5	1001.5	-694.0	15.8%	16.5%
1976	2415.2	5721.4	-3306.2	417.1	888.8	-471.7	17.3%	15.5%

Source: International Monetary Fund, Direction of Trade Yearbook, various years, 1970-93; Israel Central Bureau of Statistics, Annual Reports, various years, 1960-92; Bank of Israel, Annual Reports, various years, 1949-69.

Chart 3-3

U.S.-Israel Balance of Trade, 1961-1976



Chapter Four

Period III: Patron-Client Relations, 1977-1992

The bilateral relationship reached new levels of cooperation and interpenetration during this period. Regularized mechanisms and new bureaucratic structures institutionalized military, economic, and commercial relations. Substantial increases in economic and military assistance illustrated this trend, but only reflected a portion of the broader pattern of relations. The various Memoranda of Understanding, the Lavi episode, and the U.S.-brokered economic austerity and assistance plan, highlighted the broad scope and depth of the bilateral relationship.

There were also a number of events that caused tension between Washington and Jerusalem. These included the AWACS sale (1981), Israel's annexation of the Golan Heights (1981), Israel's invasion and subsequent occupation of Lebanon (1982), the Jonathan Pollard spy scandal (1985), and the U.S. decision to open a dialogue with the PLO (1988).

The dynamics of influence during this period were consistent with the incentives model of patron-client relations. Incentives-based bargaining dominated coercion as the primary means of conflict resolution.

The Carter Administration

In terms of the Middle East and U.S.-Israel relations, during his campaign Carter espoused the traditional themes of the Democratic party; Arab recognition of Israel, an end to the Arab boycott, and diplomatic relations. Carter supported the U.S. commitment to the security of Israel, and expressed his belief that a Jewish homeland was mandated by the Bible.³²² In political and strategic terms he noted the shared democratic principles between the United States and Israel, and Israel's value as a strategic asset against Soviet expansionism. However, geopolitical considerations were secondary to his religious orientation on issues related to the Holy Land.³²³ The idealist in him, his commitment to human rights, and his belief that peace between Arabs and Israelis was achievable, all contributed to his activist approach to peacemaking.³²⁴ Consequently, the Arab-Israeli peace process became the highest priority for U.S. Middle East policy during the first three years of his presidency.³²⁵

In March 1977 Carter publicly defined his vision of a comprehensive approach for

³²²For a discussion of the Carter approach to the Middle East and Arab-Israeli peace-making see Bernard Reich, The United States and Israel: Influence in the Special Relationship (New York: Praeger, 1984), 41-86; and George Lenczowski, American Presidents and the Middle East (Durham: Duke University Press, 1990), 157-211.

³²³Jimmy Carter, Keeping Faith: Memoirs of a President (New York: Bantam Books: 1982), 274-75.

³²⁴William B. Quandt, Camp David: Peacemaking and Politics (Washington, DC: Brookings, 1986), 30.

³²⁵This changed in the fall of 1979 with the Islamic Revolution in Iran and the Soviet invasion of Afghanistan. For an authoritative account of U.S.-Israel relations in the period from 1978-88 see Samuel W. Lewis, "The United States and Israel: Constancy and Change," in William Quandt, ed., The Middle East: Ten Years After Camp David (Washington, DC: Brookings, 1988), 217-57.

the peace process.³²⁶ This approach included three prerequisites: Arab recognition of Israel's right to exist permanently and in peace; the establishment of permanent, recognized borders for Israel (although Carter declined to specify the location of these borders which he believed should be the result of negotiations); and recognition of the need for a Palestinian homeland.

The prerequisite of a Palestinian homeland introduced a new and controversial element to U.S. policy. U.S. policy began to address the issue of Arab refugees following the displacement of Arab populations after the 1948 and 1967 wars. The American approach was based on a humanitarian perspective motivated by the need to improve the living conditions of individuals displaced by the Arab-Israeli conflict, particularly those still in refugee camps in the occupied territories and the surrounding Arab states. Carter also believed that the Palestinians should be compensated for the losses they had suffered.³²⁷

Unlike most of his predecessors, Carter did not view the Middle East in zero-sum Cold War terms. He viewed the peace process as providing an opportunity for the Americans and Soviets to work together in pursuit of a mutually beneficial objective. He believed that both shared an important interest in avoiding a regional conflict that could escalate into a superpower confrontation, and this could be exploited as the basis for cooperation. Carter referred to this shared interest in a speech before the UN General

³²⁶Excerpts from a town meeting in Clinton, Massachusetts, 16 March 1977, Public Papers of the Presidents of the United States: Jimmy Carter, 1977, Part I, (Washington, DC: U.S. Government Printing Office, 1977), 386-87.

³²⁷Excerpt from a speech given 26 March 1977, Middle East Journal, 31:4, (Autumn 1977), 469.

Assembly on October 4, 1977. "Of all the regional conflicts in the world, none holds more menace than the Middle East. War there has already carried the world to the edge of nuclear confrontation."³²⁸

Carter was impressed by a Brookings Institution study which recommended a course for U.S. policy toward the Arab-Israeli conflict, and he used this study as a road map for the peace process.³²⁹ His formula for peace was based on UN Resolution 242, which would include Israel's withdrawal from the occupied territories in return for secure boundaries and security guarantees. He favored a return to pre-1967 lines, with only minor modifications.

Carter's senior Middle East advisers held divergent views concerning how the President should manage the U.S.-Israel relationship. Menachem Begin was an unknown quantity in Washington, and other than Samuel Lewis, the U.S. ambassador to Israel, none of Carter's senior staff members had personally dealt with Begin. Zbigniew Brzezinski, the National Security Advisor, advocated taking a tough approach with Begin, in effect "laying down the law" during the Prime Minister's first official visit to Washington in July 1977. Samuel Lewis advocated a different strategy. He argued that Brzezinski's approach would not work due to the personality characteristics of Menachem Begin. According to Lewis, Begin's,

Peculiar mixture of defiance and single-mindedness [meant] that

³²⁸"United Nations: Address Before the General Assembly," 4 October 1977, Public Papers of the Presidents of the United States: Jimmy Carter, 1977, Part II, (Washington, DC: U.S. Government Printing Office, 1978), 1720.

³²⁹Toward Peace in the Middle East, Report of a Study Group (Washington, DC: Brookings Institution, 1975).

any time there was the slightest hint that the U.S. would attempt to use a suspension of military or economic aid (for example during the Lebanon War), it produced in him a determination to demonstrate that Israel could never be muscled.

Lewis counseled the President to adopt a positive strategy which took into account Begin's favorable disposition toward the United States and his tremendous respect for the office of the President. Lewis argued that Begin should be treated with great dignity, and dealt with in a manner that would convey the expectation that the bilateral relationship would be characterized by friendly relations and cooperation in pursuit of common goals. Carter adopted Lewis' approach in his initial encounters with Begin.³³⁰

Tension soon developed in the bilateral relationship despite Carter's efforts, largely as a result of Begin's position on the question of settlements in the occupied territories and Carter's emphasis on the human rights issues of the Palestinian refugees and their national aspirations.³³¹ Begin's revisionist Zionist ideology held that the West Bank (which he referred to by their biblical names Judea and Samaria) was an integral part of Eretz Yisrael, the Greater Land of Israel. Although the disposition of other territories (namely Sinai) could be the subject of negotiations, he was determined that Judea and Samaria would remain under Israeli rule.

Carter's references to a Palestinian homeland represented a departure from U.S. policy, and caused an uproar in Israel and among American Jews. In July 1977 the President clarified his views and appeared to back away from his earlier statements by

³³⁰Interview with Ambassador Samuel Lewis, 17 May 1995, Washington.

³³¹Jimmy Carter, Keeping Faith: Memoirs of a President (New York: Bantam Books, 1982), 274-77.

avoiding the use of the term "homeland." "We have never tried to define geographic boundaries for a so-called Palestinian entity. My own preference was that the Palestinian entity...should be tied with Jordan and not independent."³³² Carter now spoke in vague terms about ensuring justice for the Palestinians as part of the settlement. Referring to Israel he said that the, "continued deprivation of Palestinian rights...was contrary to the moral and ethical principles of both our countries."³³³

It became apparent that there were divergences of opinion between Carter and Begin following Begin's first official visit to Washington in July 1977. This was partially a product of a White House effort to use the media to convey the image that Carter had been tough in his talks with Begin. In addition to the disagreement on the issue of settlements in the occupied territories, Begin rejected American criticism of his settlements policy and was offended by the inaccurate reports regarding the tone and substance of his discussions with Carter. In what became a familiar pattern according to Ambassador Lewis, within a week of his return to Israel Begin reversed his position on agreements that had privately been reached in Washington. Specifically, Begin defended the right of Jews to settle anywhere in Eretz Yisrael, and demonstrated his determination not to be pushed around by the United States by recognizing three previously non-sanctioned West Bank settlements (Ofra, Kaddum, and Maale Adumim) as permanent, legal entities. Begin's decision angered Carter and he, "indicated his increasing

³³²White House Press Conference, 12 July 1977, Public Papers of the Presidents: Jimmy Carter, 1977, Part II, 1236.

³³³Carter, Keeping Faith, 277.

frustration with the Israeli position and his [Carter's] unwillingness to maintain a policy in which, in effect, we are financing their conquests and they simply defy us...and...make a mockery of our advice and our preferences."³³⁴ On July 29 Carter responded by referring to these settlements as "illegal, obstacles to peace, and contrary to international law."³³⁵

Disagreements concerning Jewish settlements in the occupied territories, the extent of a hypothetical territorial compromise as part of a negotiated settlement, the definition of the legitimate rights of the Palestinians, and the issue of diplomatic contact between American officials and the PLO were irritants in U.S.-Israel relations. On September 1, 1975, (as part of the Sinai II process) Secretary of State Henry Kissinger gave Israel an assurance in a Memorandum of Agreement that the U.S. would neither recognize nor negotiate with the PLO as long as that organization refused to recognize Israel's right to exist and did not accept UN Resolutions 242 and 338. There were doubts among Carter's advisers whether the President was bound by this pledge. Brzezinski and Secretary of State Cyrus Vance advocated abandoning Kissinger's pledge if Israel continued to expand its settlements in the occupied territories.³³⁶ Vance felt that Israel was using this commitment as a, "veto over the presentation of U.S. ideas for peace...It was to make our task of finding a way to deal with the PLO close to impossible at a time

³³⁴Zbigniew Brzezinski, Power and Principle: Memoirs of the National Security Adviser, 1977-1981 (New York: Farrar, Straus and Giroux, 1983), 105-06.

³³⁵Department of State Bulletin, 5 September 1977, 305-06; and Lenczowski American Presidents and the Middle East, 165.

³³⁶Brzezinski, Power and Principle, 106.

when the Palestinian question had become a pivotal issue."³³⁷ Likewise, Brzezinski argued that "occasional, informal contacts" should be permissible.³³⁸ In testimony before the Senate Foreign Relations Committee on October 7, 1975, Kissinger said that the memorandum did not represent a "binding commitment of the United States."³³⁹ Despite Kissinger's interpretation, and the consensus of opinion that existed among his advisers, Carter decided to adhere to Kissinger's pledge and considered his administration bound by the terms of the Memorandum of Agreement.

Instead of continuing Kissinger's step-by-step approach, Carter believed that the pursuit of a comprehensive settlement of the conflict was preferable. In a joint communique on October 1, 1977, the United States and Soviet Union announced the reconvening of the Geneva Conference.³⁴⁰ The Soviets were being brought back into the Arab-Israeli peace process for the first time since the first Geneva Conference in December 1973. During the four years that followed the Geneva Conference the Soviets had largely been excluded consistent with the preferences of Henry Kissinger, Anwar Sadat, and Yitzhak Rabin. However, events overtook the U.S.-Soviet communique when Sadat announced on November 9 that he was prepared to travel to Jerusalem to begin

³³⁷Cyrus Vance, Hard Choices: Critical Years in America's Foreign Policy (New York: Simon and Schuster, 1983), 162-63.

³³⁸Brzezinski, Power and Principle, 96.

³³⁹"Memorandum of Agreement Between the Governments of Israel and the United States: The Geneva Peace Conference," 1 September 1975, in Early Warning System in Sinai, Hearings before the Committee on Foreign Relations, U.S. Senate, 94th Congress, First Session, 6-7 October 1975 (Washington, DC: U.S. Government Printing Office, 1975), 210-11.

³⁴⁰"Joint Communique by the Governments of the United States and the Union of Soviet Socialist Republics," 1 October, 1977, Department of State Bulletin, 7 November 1977, 639-40.

peace negotiations. From the Israeli and Egyptian perspective the idea of another Geneva Conference appeared to be a non-starter, and Sadat's announcement removed the rationale for the initiative. Additionally, domestic opposition in the United States and resistance from Israel contributed to the decision to abandon the joint U.S.-Soviet approach.

Sadat's initiative immediately altered the course of the peace process, and Begin and Sadat exchanged views with each other and with Carter on the terms of a settlement. By January 1978 it became clear that a wide gap existed between the Egyptian and Israeli positions. In conjunction with Sadat, Carter intervened and developed the Aswan Formula that consisted of three major points: the establishment of a just and comprehensive peace including the normalization of relations; an Israeli withdrawal from territories occupied in 1967; and a resolution to the Palestinian problem in all of its aspects.³⁴¹ The Aswan formula did not represent a new direction in U.S. policy, rather its significance was that it was the first joint U.S.-Arab statement which recognized legitimate Palestinian rights, including their right to participate in the peace process. It also demonstrated that Carter's views were much closer to Sadat's than to Begin's.

The differences of opinion between Carter and Begin became apparent again during the Prime Minister's visit to Washington in March 1978. Carter summarized Begin's position as the "six nos:" no political or military withdrawal from the West Bank; no cessation in the construction of settlements in the occupied territories; no withdrawal of Israeli settlers from Sinai; no application of UN Resolution 242 to the West Bank; no granting of real authority to the Palestinians; and no Palestinian participation in the

³⁴¹Public Papers of the Presidents: Jimmy Carter, 1978, Part I, 19-20.

negotiations.³⁴² Carter was annoyed by Begin's intransigence and considered withdrawing from his role as mediator. He felt that, "Begin was becoming an insurmountable obstacle to further progress."³⁴³ Ambassador Lewis described this visit as representing the most turbulent point in the bilateral relationship during the Carter administration.³⁴⁴

Carter was conscious of the domestic political component of the U.S.-Israel relationship, and sought to temper his public confrontations with Begin to avoid a negative reaction from the American Jewish community. The President made an effort to balance his anger at Begin with his genuine concern for Israel's security and his moral and ethical convictions concerning the conditions and status of the Palestinians.³⁴⁵ Initially, American Jews were not particularly sympathetic to Menachem Begin and his Revisionist form of Zionism, and Carter sought to avoid any taking any action that might enhance Begin's standing in the Jewish community.³⁴⁶ In practical terms this meant that the United States avoided threats of withholding military and economic assistance as a means of coercing Begin into modifying his positions on the peace process. The administration feared that such a threat would only heighten Israeli insecurity, and consequently reduce

³⁴²Lenczowski, American Presidents and the Middle East, 167-68.

³⁴³Carter, Keeping Faith, 303-12.

³⁴⁴Interview with Ambassador Samuel Lewis, 17 May 1995, Washington, DC.

³⁴⁵In April 1978 Carter sent a message to Foreign Minister Moshe Dayan that he was prepared to consider a bilateral security treaty if Israel would be more forthcoming in the peace process. Brzezinski, Power and Principle, 249.

³⁴⁶American Jews gradually accepted and supported Menachem Begin and Carter learned, "that in a public showdown on a controversial issue they would always side with the Israeli leaders." Carter, Keeping Faith, 287.

their willingness to take the risks that were necessary to reach an agreement (primarily territorial concessions).

The negotiations reached an impasse by the summer of 1978. In July Carter invited Begin and Sadat to Camp David for intensive negotiations as part of a determined effort to reach an agreement. The negotiations began on September 4 and continued until September 17.³⁴⁷ At the outset, the three sides presented their positions and proposals. Carter then began a tedious process in which he repeatedly met with Begin and Sadat individually, acting both as an intermediary and a broker. The respective delegations submitted numerous drafts and counterdrafts of proposals in pursuit of a mutually agreeable formula. After thirteen days of negotiations, which approached the point of collapse more than once, Egypt, Israel, and the United States reached two framework agreements: "A Framework for Peace in the Middle East," and the "Framework for the Conclusion of a Peace Treaty Between Egypt and Israel."³⁴⁸ The first accord concerned the principles and some specific details for a comprehensive peace settlement between Israel and its Arab neighbors. The second accord provided for the withdrawal of Israeli forces from Sinai following an interim period for the normalization of relations. After the

³⁴⁷Detailed accounts of the negotiations have been provided by participants from all three delegations. From the American team see Carter, Keeping Faith, 267-430; Vance, Hard Choices, 196-231; Brzezinski, Power and Principle, 234-88; Harold Saunders, The Other Walls: The Politics of the Arab-Israeli Peace Process (Washington, DC: American Enterprise Institute, 1985); and Quandt, Camp David: Peacemaking and Politics. From the Israeli team see Moshe Dayan, Breakthrough: A Personal Account of the Egypt-Israel Peace Negotiations (New York: Knopf, 1981); and Ezer Weizman, The Battle for Peace (New York: Bantam, 1981). For an Egyptian account see Mohammed Kamel, The Camp David Accords: A Testimony (Boston: KPI, 1986).

³⁴⁸For the text of both accords see U.S. Department of State, The Quest for Peace: Principle United States Public Statements and Related Documents on the Arab-Israeli Peace Process, 1967-83 (Washington, DC: U.S. Government Printing Office, 1984), 74-87.

accords were signed U.S. policy shifted to the implementation of the agreement and the conclusion of a peace treaty between Egypt and Israel. Simultaneously, the U.S. encouraged other Arab states to join the peace process, emphasizing the proposed autonomy negotiations for the Palestinians. The Egypt-Israel Peace Treaty was subsequently signed in Washington in March 1979. The autonomy talks quickly reached a stalemate.³⁴⁹

First in April 1978, and later during the negotiations at Camp David, the issue of a U.S.-Israel bilateral defense treaty was raised; the first time by Carter and the second time by Begin. Motivated by the hope that Begin would be more forthcoming if he was reassured by a demonstrated commitment to Israel's security, Carter conveyed a message to Foreign Minister Dayan that a bilateral defense treaty could be considered if Begin showed greater flexibility. Begin raised this issue during the negotiations at Camp David, but the President was no longer willing to consider such a treaty. Carter's rationale was that, "For [the United States] to be a formal ally of Israel would make it impossible to mediate between Israel and the Arab nations."³⁵⁰ Begin again raised the issue during a visit to Washington in early March 1979. Carter described Begin's objective as trying, "to convince us that Israel should be the dominant military power in the area, and that it was our only reliable ally in the Middle East."³⁵¹ Carter was neither impressed nor persuaded by that argument, and directed American officials to specifically avoid use of the word

³⁴⁹Quandt, Camp David, 322-24, and Peace Process, 328-29.

³⁵⁰Carter, Keeping Faith, 355.

³⁵¹*Ibid.*, 414.

"ally" in describing the U.S. relationship with Israel. Beyond emphasizing the legal distinction between America's NATO allies and Israel, there was a political objective behind Carter's strategy. He felt that the prospect of concluding a bilateral security treaty could be used as an inducement to persuade Israel to reach a comprehensive peace with the other Arab states. However, since the peace process did not expand beyond Egypt and Israel, discussions related to a bilateral security treaty did not progress beyond a preliminary exchange of views.³⁵²

In February 1980 the bilateral relationship was further aggravated when the American delegate to the United Nations voted in favor of a resolution censuring Israel for its settlements policy and continued occupation of Arab East Jerusalem. In the face of enormous domestic and Israeli pressure, the U.S. reversed its vote and attributed its original vote to a "bureaucratic error." According to Brzezinski, "The admission of error made the administration look silly and the President look weak."³⁵³ The episode reflected the apparent disarray in U.S. Middle East policy, and the annoyance felt toward Israel by Carter's foreign policy team.

In the fall of 1979 the focus of American policy in the Middle East shifted from the Arab-Israeli peace process to events in the Persian Gulf. The Islamic Revolution in Iran represented a dramatic setback for U.S. interests in the region. Since the Nixon administration the United States relied on Iran as the guardian of security and stability in the Persian Gulf region. This reliance implicitly included ensuring the uninterrupted flow

³⁵²Interview with Ambassador Samuel Lewis, 17 May 1995, Washington, DC.

³⁵³Brzezinski, Power and Principle, 442.

of oil to the West and Japan, and assisting in the American effort to counter Soviet penetration into the region. The takeover of the American embassy in Teheran and subsequent hostage episode cast a pall over the remainder of Jimmy Carter's presidency, as the President became deeply involved in efforts to gain the release of the hostages.

The Soviet invasion of Afghanistan in December 1979 dealt a second blow to U.S. regional interests. It was not that Afghanistan represented a vital interest to U.S. security; it had previously been all but ignored by previous U.S. administrations.³⁵⁴ However, the Soviet thrust combined with the loss of Iran challenged U.S. credibility with regard to its security commitment to the Persian Gulf region. The administration responded in January 1980 by announcing a policy that became known as the Carter Doctrine. Carter declared that,

An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force.³⁵⁵

This statement focused exclusively on the security of the Persian Gulf region, which reflected Washington's new Middle East priorities.

The Reagan Administration

Ronald Reagan was elected on a platform committed to re-establishing American

³⁵⁴Bernard Reich, ed. The Powers in the Middle East: The Ultimate Strategic Arena (New York: Praeger, 1986), 80.

³⁵⁵Text in The New York Times, 24 January 1980; Carter, Keeping Faith, 483. For a discussion of the American response to the invasion of Afghanistan see, Lenczowski, American Presidents and the Middle East, 203-08.

power and prestige in the international system. He believed U.S. power and prestige had been undermined as a result of the misguided foreign policy of the Carter administration, which had contributed to the revolution in Iran and the taking of American hostages.

The new president inherited problems in the three major areas of American policy in the Middle East. The Arab-Israeli conflict was heating up with Israel and Syria approaching military confrontation; the Persian Gulf was in turmoil following the Islamic Revolution in Iran, Iraq's invasion of Iran; and the Soviets were exploiting the instability created by these events, particularly in Syria, Lebanon, Iran, Iraq and Afghanistan.³⁵⁶

Reagan advocated a strong anti-Soviet posture, and viewed the invasion and occupation of Afghanistan and the Soviet threat to the Persian Gulf as priorities for U.S. policy. Unlike the Carter administration, which until the events in Iran and Afghanistan had placed the Arab-Israeli peace process at the top of the U.S. regional agenda, Reagan viewed the Arab-Israeli conflict as a lower priority. Consequently, little attention was paid to the stalled Palestinian autonomy talks that were supposed to be a continuation of the Camp David process. The Reagan administration avoided taking any actions that might interfere with the implementation of the Egypt-Israel peace treaty.

Reagan and his senior advisers (particularly Alexander Haig and William Casey, his first Secretary of State and Director of Central Intelligence respectively) viewed American foreign policy through the prism of global containment of the Soviet Union. In March 1981 the administration outlined a new foreign policy approach in which the U.S.

³⁵⁶For a review of U.S. policy in the Middle East during the Reagan administration see Martin Indyk, "Reagan and the Middle East," *SAIS Review*, 7:1, (Winter/Spring 1987), 111-38.

would establish a “strategic consensus” with moderate anti-communist states such as Israel, Egypt, and Saudi Arabia. Haig described the need, “to establish a consensus in the strategic-regional sense among the states in the area, stretching from Pakistan in the east to Egypt in the west, including Turkey, Israel, and other threatened states.”³⁵⁷ Haig’s notion of a strategic consensus was based on two assumptions: first, on vital issues of mutual concern cooperation between Arabs and Israelis was possible and, second, that the moderate Arab states (namely Saudi Arabia, Egypt, and Jordan) shared Washington’s view of the Soviets as representing the principle threat to their security.³⁵⁸

In terms of the U.S.-Israel relationship, Reagan’s campaign rhetoric went beyond the customary pledges of friendship and support. Haig observed that, “Israel never had a greater friend in the White House than Ronald Reagan.”³⁵⁹ Although Reagan and Haig had only limited experience in dealing with the Middle East, they shared the view that Israel was a reliable ally and strategic asset capable of deterring Soviet expansionism.³⁶⁰ Similarly, Haig referred to Israel as a strategic asset whose, “very existence serves to deter Soviet aggression.”³⁶¹

Menachem Begin spoke the same language as Reagan concerning the Soviet

³⁵⁷The New York Times, 20 March 1981.

³⁵⁸Alexander Haig, Caveat: Realism, Reagan, and Foreign Policy (New York: MacMillan), 168.

³⁵⁹Haig, Caveat, 167.

³⁶⁰See Hedrick Smith, “Reagan: What Kind of World Leader?” The New York Times Magazine, 16 November 1980, 174-75; and an article by Reagan in The Washington Post, 5 August 1979.

³⁶¹The Washington Post, 23 December 1980.

Union; they shared a common worldview that was dominated by the East-West struggle. Begin believed that Israel was on America's side in this struggle, and had much to offer as an ally. However, exploratory discussions between American officials and Defense Minister Ariel Sharon concerning bilateral strategic cooperation were characterized by bombast and inflated pretensions regarding Israel's military utility in countering a Soviet threat.³⁶²

There were mixed views about Israel and the value of the bilateral relationship among senior Reagan administration officials, especially when compared with other American interests in the Middle East. Reagan and Haig were generally viewed as Israel's staunchest supporters in the administration. During the 1980 campaign Vice-President George Bush offered the customary pledge of support for Israel when he said, "It is in the strategic interest of the United States to maintain Israel's strength and security. The security and freedom of that small democracy are fundamental to American strength and Middle East stability."³⁶³ In contrast, Secretary of Defense Casper Weinberger and National Security Adviser William Clark viewed Israel more as a problem than an asset.³⁶⁴

From 1981 to 1983 the bilateral relationship was largely characterized by acrimony and tension despite the generally favorable predisposition toward Israel by the President and Secretary of State. In Haig's opinion it was Israel that administered a series

³⁶²Interview with Ambassador Samuel Lewis, 17 May 1995, Washington, DC.

³⁶³Near East Report, 9 January 1980.

³⁶⁴Lewis, "The United States and Israel," in Quandt, ed., The Middle East, 229.

of "violent shocks to the [Reagan] administration and public opinion...The atmosphere of American-Israeli relations underwent a change."³⁶⁵ These difficulties were largely due to divergent interpretations of Israel's security requirements, and specific policies and actions that resulted from Israel's perception and defense of its perceived vital interests.

During the summer of 1981, Israel's destruction of the Iraqi nuclear reactor near Baghdad, and aerial attacks upon PLO positions in Beirut, were criticized by the United States. In what amounted to a symbolic protest, the U.S. withheld delivery of previously contracted F-16 aircraft while a review was conducted to determine whether Israel had violated arms sales agreements by employing U.S.-supplied equipment for non-defensive purposes. The delivery proceeded in August 1981 without a formal determination as to whether Israel had violated arms sales agreements.³⁶⁶

In the fall of 1981 the administration announced a proposed \$8.5 billion sale of sophisticated military equipment to Saudi Arabia; the centerpiece of which was five Airborne Warning and Control Systems (AWACS) aircraft along with equipment to enhance previously delivered F-15s. While the discussions that led to these sales originated in the Carter administration, they were consistent with Reagan's strategic consensus effort (particularly with regard to improving early warning capabilities in the Persian Gulf region).³⁶⁷ The Begin government notified the United States that in their opinion the sale represented a significant shift in the regional balance of power and

³⁶⁵Haig, Caveat, 167.

³⁶⁶Department of State Bulletin, October 1981, 61.

³⁶⁷Haig, Caveat, 168-92.

adversely affected Israel's qualitative advantage. Following consultations between senior American and Israeli officials, Reagan believed that a private agreement had been reached with Begin not to lobby against the sale. This agreement broke down within hours when Begin forcefully opposed the sale in response to questions on Capitol Hill.³⁶⁸

Reagan sent the official notification of the sale to Congress for approval on October 1. Israeli leaders recognized that they could not block the sale without a direct public challenge to Reagan, a move which could have damaging repercussions for the bilateral relationship, especially so early in the term of a new and popular president. The President and other administration officials lobbied intensively for the sale. In addition to the economic benefits associated with the \$8.5 billion sale, they argued that the debate was being watched carefully by America's allies and adversaries as a test of the President's ability to conduct foreign policy. Therefore, the sale was essential to restore American credibility and reliability in the Middle East. In response to the effort by Israel's supporters to block the sale, the President remarked that, "It is not the business of any other nation to make American foreign policy." The Senate ultimately approved the sale on October 29 by a vote of 52-48.

The President repeatedly sought to reassure Israel that the United States remained committed to its security and to maintaining Israel's qualitative military superiority over its Arab adversaries.³⁶⁹ During an official visit to Washington in September 1981 the

³⁶⁸Begin argued that he did not understand his "no lobbying" pledge to include expressing his views if directly questioned by members of Congress or the media. See Lewis, "The United States and Israel," in Quandt, ed., The Middle East, 234.

³⁶⁹Haig, Caveat, 169.

President and Prime Minister Begin discussed an American proposal for closer strategic cooperation. Although the timing suggested the offer was compensation for the AWACS sale, these talks were the continuation of earlier discussions during which Reagan was attracted to the idea of strategic cooperation with Israel.³⁷⁰ These talks led to the signing of a Memorandum of Understanding on Strategic Cooperation in November 1981 that "reaffirmed the common bonds of friendship between the United States and Israel and builds on the mutual security relationship that exists between the two nations."³⁷¹ Far less than a mutual defense treaty, the MOU identified parallel strategic purposes between the respective military establishments and how they could cooperate toward common objectives (e.g., containing and deterring the Soviets).

Bilateral relations soured again in December 1981 when Israel extended its law and jurisdiction (annexed) to the Golan Heights. The Reagan administration rejected this unilateral action, and on December 17 voted in support of UN Security Council Resolution 497 which declared the annexation "null and void and without international legal effect." The following day the President instructed Haig and Weinberger to cease discussions aimed at implementing the Memorandum of Understanding that had been signed only nineteen days earlier.³⁷² Menachem Begin expressed surprise at the American response, and argued that the Golan decision should not be tied to the Memorandum of Understanding. He criticized U.S. policy and accused the Reagan administration of

³⁷⁰Interview with Ambassador Samuel Lewis, 17 May 1995, Washington, DC.

³⁷¹For the text of the agreement see The New York Times, 1 December 1981.

³⁷²Reich, The United States and Israel, 109.

unilaterally abrogating the agreement. He reopened an old wound by suggesting that the administration's strategy to secure Senate approval of the AWACS sale included an "ugly anti-semitic campaign." This accusation frosted bilateral relations in the months that followed.³⁷³

During the summer of 1981 Philip Habib, Reagan's special ambassador, brokered a cease-fire agreement between Israel and the PLO in Lebanon that remained in place for nearly a year. However, repeated violations of the cease-fire fueled a cycle of violence that culminated in Israel's invasion of Lebanon on June 6, 1982. Questions were raised concerning the strength of U.S. signals concerning a potential Israeli attack.³⁷⁴ There was an ongoing debate within the Reagan administration concerning Israel's legitimate right of self-defense in response to military attacks emanating from across its border with Lebanon. However, Secretary Haig believed that he conveyed and Israel received the "strongest possible warnings" from the United States concerning an invasion of Lebanon.³⁷⁵ In Ambassador Lewis' view (who was present at meetings between Haig and Sharon) the United States neither gave Israel a green light to invade Lebanon, nor conveyed an ultimatum demanding that Israel abstain from any military response or face unpleasant consequences. According to Lewis, Haig delivered a very clear, strong message to Sharon that amounted to a "strong amber warning." If Israel decided to take

³⁷³For the text of his remarks see The New York Times, 21 December 1981.

³⁷⁴Many believe the U.S. gave Israel a green light, or at least expressed indifference. "The United States was aware long in advance that Israel had planned this invasion but did not exert any significant effort to prevent it." Lenczowski, American Presidents and the Middle East, 218; and Ze'ev Schiff, "Green Light, Lebanon," Foreign Policy 50, (Spring 1983), 73.

military action it had to meet two criteria: first, it had to be proportional to the provocation, and second, understandable and defensible in terms of international law (pertaining to legitimate self-defense) and public opinion.³⁷⁶

In terms of Israel's objectives, Begin cited two strategic goals for the military operation: first, removing the threat to its northern region posed by PLO forces located within twenty-five miles of the Israel-Lebanon border, and second, to destroy the military infrastructure of the PLO. Within a week Israeli forces controlled southern Lebanon, and thousands of PLO forces had been killed, wounded, or captured. Israeli forces advanced well beyond its self-declared twenty-five mile limit and pursued PLO forces to the outskirts of Beirut. By the middle of June the IDF had laid a virtual siege around Beirut and the PLO and Syrian forces which had sought refuge there.

The Reagan administration's initial response to the war was generally negative, but inconsistent. The American position was that it disapproved of Israel's actions, and insisted there was no cooperation, coordination, or prior knowledge of the invasion. Despite its disapproval on June 8 the administration vetoed a UN resolution that condemned Israel's invasion and carried sanctions. American concerns increased as Israel moved beyond its self-declared objective of a twenty-five mile security zone and advanced toward Beirut. On July 16 the State Department informed Congress that Israel "may have violated" the Arms Export Control Act by using American-made cluster

³⁷⁵Haig, Caveat, 317.

³⁷⁶Interview with Ambassador Samuel Lewis, 17 May 1995, Washington, DC. The war, and U.S. intervention in a costly attempt to restore peace and order, have been described at length elsewhere. See Ze'ev Schiff and Ehud Ya'ari, Israel's Lebanon War (New York: Simon and Schuster, 1984); Itamar Rabinovich, The War for Lebanon, 1970-1985 (Ithaca: Cornell University Press, 1985).

bombs for non-defensive purposes. Three days later the President ordered that further shipments of these bombs be halted.

Changes both in Lebanon and Washington led the Reagan administration to attempt to capitalize on the new political environment. First, Alexander Haig resigned as Secretary of State on June 25, 1982, and George Shultz was confirmed as his successor three weeks later.³⁷⁷ The PLO and Syria had been decisively defeated, and for the first time in over a decade an opportunity existed for the withdrawal of all foreign forces and the establishment of a reconstituted Lebanese government. The election of Bashir Gemayel (the Maronite leader of the Lebanese Forces) as president on August 23 was consistent with American preferences and Israeli designs for Lebanon's new government. Gemayel's political fortunes were tied to Israel, particularly Israeli Defense Minister Ariel Sharon, who viewed Maronite dominance of Lebanon in cooperation with Israel as part of his personal grand design for Lebanon.³⁷⁸ Bashir Gemayel was killed in a bombing three weeks after being elected president, and this turn of events returned Lebanon's political scene to a state of chaos.

The tragic events at the Sabra and Shatila refugee camps, in which Christian (Phalange) militiamen perpetrated a massacre against an unprotected Palestinian population (ostensibly in retaliation for the assassination of Bashir Gemayel), represented the nadir of U.S.-Israel relations during the Reagan administration. The refugee camps

³⁷⁷George P. Shultz, Turmoil and Triumph: My Years as Secretary of State (New York: Scribners, 1993), 16-22.

³⁷⁸Rabinovich, The War for Lebanon, 121-53.

were under the supervision of the IDF, who allowed the Phalange forces entry into the camp and failed to intervene to stop the massacres despite knowledge of the events that were taking place.³⁷⁹ The events at Sabra and Shatila resulted in the return of 1,800 U.S. marines to Beirut (the marines had recently departed after supervising the evacuation of PLO forces), and to a hopeless mission in which they were interposed as peacekeepers between the various warring factions.

The situation in Lebanon continued to deteriorate, and the United States decided to cut its losses and withdraw in February 1984. The balance sheet was decidedly against both the Israeli and American intervention: 650 Israeli soldiers had been killed and over 3,000 wounded; the U.S.-brokered May 17 agreement between Israel and Lebanon was cancelled by the Lebanese under Syrian pressure; the violence between the various factions and their supporters continued unabated; and U.S. forces had suffered substantial casualties (most notable were the 265 Americans killed in the October 23 truck bombing of the marine barracks) in a mission that was poorly defined and lacked clear and consistent objectives.³⁸⁰

Concurrent with its efforts to achieve a PLO evacuation from Beirut, the Reagan administration undertook a new initiative with the objective of restarting the peace

³⁷⁹The Kahan Commission of Inquiry headed by Supreme Court Chief Justice Yitzhak Kahan released its report on 8 February 1983. The commission concluded that Minister of Defense Ariel Sharon and Chief of Staff Rafael Eitan bore indirect responsibility for the events at Sabra and Shatila. The report stated, "Israeli officials should not have ordered the Phalangists into the camps without effective supervision; and second, that officials should have acted decisively on reports of killings, and should have stopped the Phalangists immediately. *The New York Times*, 9 February 1983. Ariel Sharon was forced to resign as Minister of Defense, and was replaced by Moshe Arens.

³⁸⁰For a discussion of the events that contributed to the U.S. withdrawal from Beirut see Robert C. McFarlane, *Special Trust* (New York: Cadell and Davies, 1994), 245-73.

process which had stalled as a result of events in Lebanon.³⁸¹ Reagan's Fresh Start Initiative of September 1, 1982, was not a new plan, nor did it represent a shift in American policy.³⁸² In Shultz's view it was an effort to develop a creative approach to autonomy for the Palestinians of the West Bank and Gaza Strip within the Camp David framework.³⁸³ First, the initiative endorsed the five-year period (included in the Camp David Accords) during which the Palestinians in the West Bank and Gaza would "have full autonomy over their own affairs." Elections would be held in the territories to compose a self-governing Palestinian authority. Second, a freeze in settlements was expected of Israel, "to create the confidence needed for wider participation in these talks." Although not contained in the initiative, but conveyed privately both to Arabs and Israelis, was U.S. support for Menachem Begin's view that Jews must have the right to live in the West Bank (biblical Judea and Samaria).³⁸⁴ Third, the United States restated its opposition to the establishment of a Palestinian state in the West Bank and Gaza, and similarly, permanent control by Israel was also viewed as unacceptable. Finally, the original component of this initiative was U.S. support for self-government by the Palestinians in the occupied territories in association with Jordan. In presenting the initiative Reagan argued that this type of confederation offered, "the best chance for a

³⁸¹Shultz, Turmoil and Triumph, 85-100.

³⁸²For the text of the initiative see, "A New Opportunity for Peace in the Middle East," Department of State, Current Policy, no. 417, 1 September 1982, and The New York Times, 2 September 1982.

³⁸³Shultz, Between Turmoil and Triumph, 87.

³⁸⁴*Ibid.*, 97.

durable, just, and lasting peace." In consultations with Shultz, Ambassador Lewis predicted the initiative would be a "sure disaster." Lewis felt that in light of the unstable situation in Lebanon, and Menachem Begin's refusal to freeze the construction of settlements in the occupied territories, the initiative would be a non-starter. In an effort to assuage Israeli concerns the United States publicly committed itself to, "oppose any proposal from any party and at any point in the negotiating process that threatens the security of Israel. America's commitment to the security of Israel is ironclad."³⁸⁵

Despite these reassurances Lewis' predictions proved accurate as the Begin government rejected the initiative both in terms of substance and procedure. Begin argued that the initiative was a "complete deviation" from the Camp David framework, and that it predetermined the outcome of negotiations on several key issues. In procedural terms Begin objected to American consultations with Jordan's King Hussein prior to notifying Israel; an apparent departure from the assurances given to Israel by Henry Kissinger as part of the Sinai II agreement (1975) in which the United States pledged advance consultation on matters pertaining to the peace process.³⁸⁶ In a personal letter to the President, Begin wrote, "A friend does not weaken a friend; an ally does not put his ally in jeopardy."³⁸⁷ In a speech to the Knesset on September 8 Foreign Minister Yitzhak Shamir stated, "The United States Government did not see fit to consult with us

³⁸⁵Ibid., 91.

³⁸⁶When asked about the extent of the American pledge Kissinger replied, "Having taken the unprecedented step of introducing a plan without consultation with Israel, we have to be careful not to turn an emergency measure into a regular procedure." See interview in The Economist, 13 November 1982, 28.

on this new program, which concerns our borders, our security, and our positions. This is something that is simply not done."³⁸⁸

U.S.-Israel relations remained tense during the first six months of 1983. This was due to a number of factors: growing personal animus toward Begin in Washington; his summary rejection of the Fresh Start Initiative (a policy failure which many in the Reagan administration attributed to Israeli intransigence); repeated confrontations between U.S. marines and the IDF south of Beirut; growing opposition to Israel's development of the Lavi fighter aircraft; and the administration's decision on March 31, 1983, to withhold delivery of 75 F-16 aircraft until Israel withdrew from Lebanon.³⁸⁹ Reagan and Secretary of Defense Weinberger cited legal reasons for the delay noting that, "under the law...those weapons must be used for defensive purposes...While those [Israeli] forces are in the position of occupying another country...we are forbidden by law to release those planes."³⁹⁰

The bilateral relationship experienced a gradual period of warming following the U.S.-brokered May 17 agreement between Israel and Lebanon. A change of personalities occurred at the highest level of Israel's government following Yitzhak Shamir's succession of Menachem Begin as prime minister following Begin's retirement in

³⁸⁷ Shultz, Turmoil and Triumph, 98.

³⁸⁸ Reich, The United States and Israel, 124.

³⁸⁹ Perhaps the most farcical episode among the various confrontations between the IDF and U.S. forces occurred when a marine officer was photographed attempting to halt three Israeli tanks with his pistol.

³⁹⁰ For the text of the statement see The New York Times, 1 April 1983.

September 1983, and Moshe Arens' succession of Ariel Sharon as defense minister.³⁹¹

Having spent the previous year in Washington as Israel's ambassador, Arens was keenly aware of the damage that had been done to the bilateral relationship as a result of the events in Lebanon. He made restoring the relationship a priority and used his personal relationships with senior officials in the Reagan administration (including Weinberger) to achieve this objective.³⁹²

In the May 17 agreement Israel committed itself to withdrawing from Lebanon along with other foreign forces. In the months that followed its swift defeat, Syria was rearmed by the Soviets. The arms transfers included SAM-5 missiles, more than 100 MiG-23 aircraft, and over 5,000 Soviet military advisers were integrated into combat units. This escalation by the Soviets raised the potential for superpower confrontation if another round of Israeli-Syrian hostilities occurred. Secretary of Defense Weinberger (who was regarded as the least sympathetic to Israeli concerns among Reagan's senior advisors) observed that the increased Soviet involvement in Syria presented a major obstacle to peace and stability in the region.³⁹³ In testimony before the House Foreign Affairs Committee he said that the threat posed by the Soviet arms buildup warranted the release of the 75 F-16s to Israel. In light of the consensus of opinion among his advisers,

³⁹¹Yitzhak Shamir articulated his views on Israel and the peace process in, "Israel's Role in A Changing Middle East," *Foreign Affairs*, 60:4, (Spring 1982), 789-801. On the transition from Begin to Shamir see Bernard Reich, "The Shamir Government: Policy and Prospects," *Middle East Insight*, 3:3, (1984), 25-31.

³⁹²Lewis, "The United States and Israel," in Quandt, ed., *The Middle East*, 242.

³⁹³These remarks were made in an address to the American Jewish Committee, New York, 13 May 1983.

the absence of congressional opposition, the Soviet arms transfers to Syria, and the conclusion of the May 17 agreement, Reagan lifted the suspension on the delivery of the F-16s and the planes were transferred to Israel.

The general improvement in the bilateral relationship became apparent in November 1983 when the United States and Israel concluded an agreement on closer strategic cooperation.³⁹⁴ Disagreements occasionally occurred (such as the proposed sale of Stinger anti-aircraft missiles to Jordan), but both Washington and Jerusalem sought to minimize the scope of any differences since a similarity of perspectives and interests prevailed in other issues.³⁹⁵ Additionally, upcoming elections in the United States and Israel gave both governments an incentive for maintaining a positive atmosphere in the bilateral relationship.

Reagan was re-elected in a lopsided defeat of his democratic challenger, former Vice-President Walter Mondale. The 1984 Knesset elections produced a less decisive result. After two months of negotiations a National Unity Government (NUG) was formed out of sheer necessity since neither Labor nor Likud could form a majority coalition with the smaller parties.³⁹⁶ Under the terms of the coalition agreement Shimon Peres (the head of the Labor Party) would serve for two years as prime minister and

³⁹⁴The issue of strategic cooperation will be discussed in detail in the section on military sales and assistance.

³⁹⁵For a discussion of the brief episode involving the proposed arms sale to Jordan see Shultz, Turmoil and Triumph, 450-51.

³⁹⁶For a discussion of the 1984 Knesset election see Asher Arian and Michal Shamir, eds., The Elections in Israel, 1984 (New Brunswick, NJ: Transaction Books, 1986); and Thomas L. Friedman, "Israel's Leadership Problem," The New York Times Magazine, 21 October 1986.

Yitzhak Shamir would serve as foreign minister; they would then exchange positions for the following two years. Yitzhak Rabin of Labor would serve for the entire term of the government as the minister of defense, as would Yitzhak Modai of Likud as minister of finance. It was a new experiment in Israeli politics, and the Reagan administration feared it might block progress in the peace process.³⁹⁷ While Shimon Peres was viewed as being more flexible on the central issues of the peace process (specifically the willingness to freeze settlements in the occupied territories and exchange territory for peace) than either of his Likud predecessors, Peres was constrained by the terms of the National Unity Government in which the Likud was an equal partner.³⁹⁸ However, Labor and Likud were in agreement on two important issues; the need for Israel to extricate itself from Lebanon, and the need for drastic economic reform.³⁹⁹

There was a substantial improvement in the bilateral relationship during Peres' tenure as Prime Minister, and the relationship reached a level of closeness and cooperation not seen for nearly a decade.⁴⁰⁰ Peres developed a close working and personal relationship with Shultz that contributed to the atmosphere of cooperation that

³⁹⁷Shultz, *Turmoil and Triumph*, 441; and U.S. Department of State (Richard W. Murphy), "Review of Developments in the Middle East," *Current Policy*, no. 786, 28 January 1986.

³⁹⁸See U.S. Department of State (Richard W. Murphy), "Maintaining Momentum in the Middle East Peace Negotiations," *Current Policy*, no. 726, 27 June 1985; and "An Overview of Developments in the Middle East," *Current Policy*, no. 740, 18 September 1985.

³⁹⁹For a review of Peres' tenure as prime minister see Marver H. Bernstein, "Coping with Turbulence: The First Two Years of the National Unity Government Under Peres," in Bernard Reich and Gershon R. Kieval, eds., *Israeli National Security Policy* (Westport, CT: Greenwood Press, 1988), 207-24.

⁴⁰⁰See Richard B. Straus, "Super-Lobby in Washington: Reagan and Co.," *The Washington Post*, 27 April 1986; and "The Special Relationship," a four-part series in *The Washington Post*, 5-8 August, 1986.

prevailed during the two years that followed.⁴⁰¹ He took great efforts to coordinate his diplomatic strategy and tactics with Washington. In terms of strategic cooperation, Peres built on the foundation established by his predecessors. However, following the rotation of the prime minister in October 1986, a power struggle ensued between Shamir and Peres largely over Israel's response to Shultz's peace initiative and proposed international conference.⁴⁰²

An incident with potentially devastating consequences occurred in November 1985 with the arrest of Jonathan Pollard and his subsequent indictment for espionage on behalf of Israel. Pollard was a civilian analyst with the Office of Naval Intelligence and had access to highly sensitive military intelligence. Israeli officials initially denied knowledge of any espionage activities directed against the United States; a denial that seemed implausible at first and later was proven factually inaccurate.⁴⁰³ In the course of the investigation and subsequent trial it was revealed that Pollard had stolen and passed a large quantity of highly classified documents to his Israeli contacts.⁴⁰⁴ Secretary of Defense Weinberger was outspoken concerning the degree of damage Pollard caused to U.S. national security. Shimon Peres sought George Shultz's advice concerning the appropriate Israeli response. The Secretary advised him to, "Apologize and pledge to

⁴⁰¹For a discussion of this period in the relationship see, Samuel W. Lewis, "Israel: The Peres Era and Its Legacy," Foreign Affairs, 65:3 (America and the World, 1986), 582-610.

⁴⁰²See The New York Times, 28 April, 8 May and 15 May 1987.

⁴⁰³Pollard admitted that, "the highest levels of the Israeli government," had thanked him for his efforts, The Washington Post, 28 February 1987.

⁴⁰⁴For a review of the Pollard affair see Wolf Blitzer, Territory of Lies (New York: Harper and Row,

cooperate fully in the investigation," advice which the Prime Minister accepted and followed.⁴⁰⁵ This episode caused a significant amount of anguish among American Jews, particularly those who held positions in the foreign affairs and national security communities, and who were already hypersensitive to accusations of dual loyalty. The media cited reports by "unnamed intelligence officials" that "an unofficial network of sympathetic American officials" regularly passed classified information to Israel.⁴⁰⁶ Critics of close U.S.-Israel relations utilized the incident to support their argument that Israel was not a reliable ally of the United States. Pollard pleaded guilty in June 1986, and in March 1987 he was sentenced to life in prison.⁴⁰⁷ The bilateral relationship was strained as both sides digested the embarrassment of the episode. However, a positive atmosphere gradually returned to the bilateral relationship once the trial and sentencing passed.

In November 1986 the Reagan administration's efforts to secure the release of American hostages in Lebanon led to arms sales to Iran.⁴⁰⁸ This became known as the Iran-Contra affair and developed into a full-blown scandal when it was discovered that

1989).

⁴⁰⁵Shultz, Turmoil and Triumph, 458.

⁴⁰⁶The Washington Post, 15 June 1986.

⁴⁰⁷The New York Times, 6 June and 9 June 1986.

⁴⁰⁸See the reports of the president's commission and the congressional investigation of the arms-for-hostages scheme and the other aspects of the Iran-Contra affair, The Tower Commission Report (Washington, DC: U.S. Government Printing Office, 1987); Report of the Congressional Committees Investigating the Iran-Contra Affair, 100th Congress, (Washington, DC: U.S. Government Printing Office, 1987); Shultz, Turmoil and Triumph, 783-924; and Robert C. McFarlane, Special Trust, 37-52.

the proceeds from these sales were diverted to finance the Contras in Nicaragua. The arms sales to Iran represented a departure from the official U.S. policy known as Operation Staunch, which embargoed arms sales both to Iran and Iraq in an effort to limit the arms spiral in their six-year war. The diversion of funds appeared to be a blatant and illegal violation of the Boland Amendment, which specifically prohibited the transfer of U.S. funds to the Contras.

Early in the course of the investigation it was revealed that Israel had actively participated in the development and implementation of the arms transfers to Iran. When the Reagan administration began to explore a dialogue with Iran it was logical that they would seek advice and assistance from Israel; specifically from Israeli officials who had retained some contacts in Iran (particularly in the military) following the revolution in 1979.⁴⁰⁹ However, similar to other instances of controversy in the bilateral relationship, supporters and detractors of the close U.S.-Israel relationship attempted to manipulate the affair to support their point of view. For better or worse, the coordination between staffers of the National Security Council and various Israeli officials and emissaries highlighted the degree of cooperation between the two governments. Israel's supporters argued that Israel had served American interests by facilitating contacts with Iran, but bore no responsibility for subsequent American decisions. In contrast, critics of this cooperation argued that such closeness led the United States to pursue a counterproductive and possibly illegal foreign policy that primarily served Israeli

⁴⁰⁹Lewis, "Israel: The Peres Era and Its Legacy," 609.

interests.⁴¹⁰ Despite the seriousness of the Iran-Contra affair in terms of American politics and foreign policy, there were no significant or lasting effects in the bilateral relationship as a result of Israel's role in the matter.

During the final two years of the Reagan administration (1987-88) the bilateral relationship was dominated by three events: the Palestinian Intifada which erupted in the occupied territories in December 1987; the Shultz initiative of January 1988; and the American decision to open a dialogue with the PLO in December 1988. The causes of the Intifada and Israel's response have been described elsewhere and need not be reviewed here.⁴¹¹ This popular uprising reversed an assumption of the peace process to that point; namely, that an external actor would represent the Palestinians of the West Bank and Gaza, be it Jordan, Egypt, or the PLO (from Tunis). The Intifada permanently changed that equation.

Israel's response to the Intifada, particularly Defense Minister Rabin's statement that the uprising would be dealt with by "force, power, and blows," led to criticism concerning the harsh measures employed by the IDF. The use of live ammunition by Israeli security forces caused dozens of deaths and injuries, and this resulted in official protests by the State Department as early as January 1988.⁴¹² Rabin's repeated statements that there was no military solution to the Intifada were inconsistent with almost daily

⁴¹⁰Lenczowski, American Presidents and the Middle East, 242.

⁴¹¹For a review of the Intifada and Israel's response see Ze'ev Schiff and Ehud Ya'ari, Intifada (New York: Simon and Schuster, 1989).

⁴¹²The Washington Post, 5 January 1988.

television images of brutality by Israeli soldiers against a predominantly unarmed population. Additionally, Israel's deportation of Palestinian civilians charged with inciting the demonstrations led the United States to vote in favor of a UN resolution calling on Israel to refrain from "such harsh measures which are unnecessary to maintain order."⁴¹³ Although the State Department attempted to minimize the significance of the vote, describing it as a disagreement among friends that did not affect the broader relationship, this was the first time since the resolution condemning Israel's annexation of the Golan Heights in 1981 that the United States voted in favor of a resolution critical of Israel.⁴¹⁴

As the Intifada raged Secretary Shultz launched a new peace initiative.⁴¹⁵ In a letter to Prime Minister Shamir dated March 9, 1988, Shultz outlined his proposal that was designed to achieve, "a comprehensive peace providing for the security of all the states in the region and for the legitimate rights of the Palestinian people."⁴¹⁶ Shultz believed that a delay in the peace process would work to the disadvantage of all parties and observed that, "The situation is not improving, and the status quo remains

⁴¹³For the full text of the resolution see, The Washington Post, 6 January 1988.

⁴¹⁴Shultz referred to the U.S.-Israel relationship as "unshakable" and added that, "No one should misinterpret a vote as meaning anything else." The Washington Post, 8 January 1988.

⁴¹⁵For a discussion of this initiative and its component parts see Shultz, Turmoil and Triumph, 1016-50; The Washington Post, 6 March 1988; and U.S. Department of State (Richard W. Murphy), "An American Vision of Peace in the Middle East," Current Policy, no. 1067, 18 April 1988.

⁴¹⁶For the text of the letter see, The New York Times, 10 March 1988.

unacceptable."⁴¹⁷ Shamir responded two days later (on the eve of a trip to Washington) by rejecting Shultz's plan and added, "The only word in the Shultz plan I accept is his signature. Apart from that the document does not serve the cause of peace."⁴¹⁸ A month passed with no noticeable progress, and it appeared that Shultz had exhausted his patience with Shamir. Shamir repeatedly raised procedural objections to an international conference, which Shultz viewed as a delaying tactic.⁴¹⁹

There was a division of opinion within the National Unity Government on the question of Israeli participation in an international conference.⁴²⁰ Shimon Peres expressed a willingness to participate in such a conference, whereas Yitzhak Shamir preferred direct negotiations between the Arab states and Israel. In April 1987, Peres traveled to London to meet with King Hussein. Without receiving the prior consent of the government or the prime minister, Peres negotiated and signed an agreement with Hussein for the convening of an international conference on peace in the Middle East. Knowing that this was anathema to Shamir, Peres approached Shultz and suggested that he come to Israel and present the Peres-Hussein agreement as a U.S. initiative. According to Moshe Arens,

⁴¹⁷The Washington Post, 18 May 1988.

⁴¹⁸The New York Times, 12 March 1988.

⁴¹⁹The Washington Post, 7 April and 8 April 1988. For a profile see Bernard Reich and Joseph Helman, "Yitzhak Shamir," Contemporary Leaders of the Middle East and North Africa (Westport, CT: Greenwood Press, 1990); and Joel Brinkley, "The Stubborn Strength of Yitzhak Shamir," The New York Times Magazine, 21 August 1988.

⁴²⁰A new National Unity Government was formed following the 1988 Knesset elections. However, Labor was now a junior partner to Likud. Based on the terms of the new governing agreement Shamir would serve as prime minister for the full term of the government, with Rabin continuing as Minister of Defense and Peres as Minister of Finance. Moshe Arens of Likud served as foreign minister.

upon his return to Israel Peres reported to Shamir in general terms but refused to provide a text of the Peres-Hussein agreement. Shamir turned to Arens, who had a relationship with Shultz from his days in Washington, and asked Arens to dissuade Shultz from making a trip to Israel that would not produce the results he sought.⁴²¹

Despite Shultz and Peres' efforts, the issues of Jordanian participation, Palestinian representation, and the modalities of the negotiations proved to be insurmountable obstacles. Shamir's repeated rejection of an international conference in any capacity doomed this initiative to failure.⁴²² Frustrated, Shultz referred to Shamir and his Likud advisers as, "people who both did not listen and would not comprehend."⁴²³ Assistant Secretary of State Richard Murphy attributed much of the tension in the bilateral relationship to Shamir, "who did not know how to manage the U.S.-Israel relationship," and Arens, who Murphy referred to as "the ultimate technocrat."⁴²⁴

In June 1988 the PLO sent signals to Washington indicating a shift toward more moderate positions, including a readiness to recognize and negotiate with Israel. The three longstanding conditions for the United States to begin a dialogue with the PLO were: acceptance of UN Resolution 242, a renunciation of violence, and recognition of Israel's right to exist. In August Shultz conveyed a message to PLO Chairman Yasser

⁴²¹Moshe Arens, Broken Covenant: American Foreign Policy and the Crisis Between the United States and Israel (New York: Simon and Schuster, 1995), 23.

⁴²²The Washington Post, 6 June 1988.

⁴²³Shultz, Turmoil and Triumph, 1026.

⁴²⁴Interview with Assistant Secretary of State Richard Murphy, 30 September 1995, Washington.

Arafat that the United States was prepared to begin a dialogue if those conditions were met.⁴²⁵ By mid-September a series of indirect exchanges and responses had taken place between the U.S. and PLO in an effort to clarify their respective positions. Israel became aware of these exchanges and Prime Minister Shamir expressed his opposition to an American dialogue with the PLO.⁴²⁶

In its meeting in Algiers in November the Palestine National Council (PNC) formally accepted UN Resolutions 242 and 338, thus implying recognition of Israel. At the same time the PNC proclaimed an independent Palestinian state based on UN Resolution 181 of November 1947, with Jerusalem as its capital. According to Shultz this statement (and a subsequent PLO statement conveyed by Sweden) was not close to meeting the U.S. conditions for opening a dialogue.⁴²⁷ As anticipation of another Arafat statement grew in the first weeks of December, Shamir sent a message to Shultz in which he requested that the United States refrain from responding to Arafat's statement until he heard from Israel. Shamir also warned that, "There will be great difficulty in our relationship if the U.S. moves to open a dialogue with the PLO." Despite the pressure from Israel, Shultz reaffirmed his commitment to honor the U.S. position if the PLO met

⁴²⁵Shultz, Turmoil and Triumph, 1035; U.S. Department of State (Richard W. Murphy), "Middle East Peace: Facing Realities and Challenges," Current Policy, no. 1082, 14 June 1988; U.S. Department of State (Richard W. Murphy), "Review of U.S. Policy in the Middle East," Current Policy, no. 1097, 27 July 1988.

⁴²⁶U.S. Department of State (Secretary Shultz), "The Administration's Approach to Middle East Peacemaking," Current Policy, no. 1104, 16 September 1988.

⁴²⁷Shultz, Turmoil and Triumph, 1038. This episode occurred simultaneously with a debate concerning whether the U.S. should issue a visa for Arafat to travel to New York to address the United Nations. Shultz ultimately decided to not grant the visa.

the prescribed conditions.⁴²⁸

Arafat met U.S. conditions in a press conference in Geneva on December 14. The statement was reviewed and accepted in Washington within a few hours. Robert Pelletreau, the U.S. ambassador to Tunisia, was designated as the official channel of communications with the PLO. In his public statement Shultz said that the U.S. did not recognize the declaration of an independent Palestinian state, and in an effort to assuage Israeli concerns he added that, "the United States commitment to the security of Israel remains unflinching."⁴²⁹

The Bush Administration

The transition from the Reagan to the Bush administration occurred during a shift in the system of international politics that existed since the end of the second World War. The Cold War between the United States and Soviet Union was beginning to change decisively. Between July and December 1989 Poland, Hungary, East Germany, Czechoslovakia, Bulgaria and Romania toppled their communist regimes. Their new governments each proclaimed a commitment to democratic politics and market economics.⁴³⁰ American perceptions of the Soviet factor in the Middle East were also

⁴²⁸Ibid., 1043.

⁴²⁹Ibid., 1044. For the Israeli response see The New York Times, 15 December 1988; and The Washington Post, 16 December 1988.

⁴³⁰For a discussion of the Bush administration's approach to foreign policy during the first two years of its term see Michael Mandelbaum, "The Bush Foreign Policy," Foreign Affairs, 70:1, (1990/91), 5-22.

changing, and the prospect of American-Soviet cooperation began to emerge.⁴³¹ The potential role of the Soviets in peacemaking was a key issue during the last two years of the Reagan administration with regard to the modalities of the peace process. Considerable support for an international conference with the participation of the five permanent members of the UN Security Council emerged in Europe and among Arab states (particularly Jordan and Egypt). However, Prime Minister Shamir resisted the idea of Soviet participation, and the Reagan administration was not prepared to pressure Israel on this point.

Change was also apparent in the Middle East: the Iran-Iraq War came to an end, Soviet troops began to withdraw from Afghanistan, and the United States opened a dialogue with the PLO.⁴³² Perhaps seeking to vindicate and capitalize on this decision, the Bush administration became actively engaged in the peace process by the spring of 1989. Initially, Bush's Middle East team spoke of a "ripening" process which needed to occur among Israel, the Palestinians, and the Arab states and their respective attitudes before progress could be made.⁴³³

Despite friendly statements in his campaign, Israelis were wary of George Bush's general attitude toward Israel, particularly in light of his background in the oil industry.

⁴³¹For a discussion of these events and their regional impact see Barry Rubin, "Reshaping the Middle East," Foreign Affairs, 69:3, (Summer 1990), 131-46.

⁴³²For an overview of this period see Geoffrey Kemp, "Middle East Opportunities," Foreign Affairs, 68:1, (America and the World, 1988/89), 139-58.

⁴³³Robert Hunter, "The United States Role in the Middle East," Current History, 89:544, (February 1990), 49-52; see also, "Israel and America: A Special Relationship at Risk," The Economist, 21 January 1989, 21-24.

Largely due to their unfamiliarity with James Baker, Israelis were also suspicious of the new Secretary of State's attitudes and intentions. Additionally, Bush and Baker had replaced Reagan and Shultz, under whose tenure the bilateral relationship had reached new levels of friendship and cooperation. While it was natural that comparisons would be made during the adjustment period until a working relationship emerged, remarks made by Baker a month after taking office only served to reinforce Israeli concerns. In comparing U.S.-Israel relations to turkey shooting, Baker observed, "The trick is getting them where you want them, on your terms. Then you control the situation, not them. You have the options. Pull the trigger or don't. The important thing is knowing that it's in your hands, that you can do whatever you determine is in your interest to do."⁴³⁴ These remarks did not go unnoticed in Jerusalem and Shamir responded, "Baker is against us; a new hangman for the Jewish people has arisen."⁴³⁵ Baker acknowledged Israeli concerns, "I felt Israel's fears about the President and me were primarily rooted in the mythology of our inferred links to the Arabs as a result of our Texas backgrounds."⁴³⁶

Another National Unity Government was formed in Israel following the November 1988 Knesset elections. The Likud was now the senior partner in the government, which differed from the governing agreement that resulted from the 1984 elections in which Labor and Likud were equal partners. The personalities essentially remained the same with only a minor shuffling of portfolios: Yitzhak Shamir as prime

⁴³⁴Time, 13 February 1989.

⁴³⁵Arens, Broken Covenant, 28, 60.

⁴³⁶James A. Baker, The Politics of Diplomacy (New York: Putnam, 1995), 118.

minister, Yitzhak Rabin as defense minister, Moshe Arens as foreign minister, and Shimon Peres as finance minister. Shamir opted to join with Labor rather than form a narrow coalition dependent upon the religious parties' support; support that was offered only if Shamir agreed to adopt a far-reaching religious agenda that would have caused a heated national debate and friction with the American Jewish community.⁴³⁷ In terms of the peace process there was little cause for optimism as the two blocs remained stalemated concerning the details of a negotiating position or potential settlement.⁴³⁸ Many in Israel (including within the Labor party) remained skeptical about the purported changes in the PLO and its recognition of Israel, and they were especially concerned by the implications of the U.S. dialogue with that organization.

The U.S.-PLO dialogue was not the only issue that contributed to an increase in tension in the bilateral relationship during the early months of the Bush administration. Several members of the Shamir government, including Defense Minister Moshe Arens, accused the Bush of, "interfering in the Israeli domestic political arena in an undisguised attempt to bring down the democratically elected government of Israel." He added, "Never before in its history had a government of the United States dealt in this manner with a sister democracy, bringing on a number of government crises in Israel, and eventually contributing to the downfall of the government in 1992."⁴³⁹

⁴³⁷See The Washington Post, 22 December 1988; The New York Times, 20 December 1988.

⁴³⁸For a discussion of the political environment see Harold M. Waller, "Israel's Continuing Dilemma," Current History, 89:544, (February 1990), 69-73.

⁴³⁹Arens, Broken Covenant, 9, 75.

James Baker's initial efforts were directed at opening direct negotiations between the parties to the conflict, notably the Palestinians and Israel.⁴⁴⁰ Baker utilized an incremental approach directed toward bringing the parties together for face-to-face negotiations. In his view the role of the United States was, "to reduce tensions, to promote dialogue between Israelis and Palestinians, and to build an environment that can sustain negotiations on interim arrangements and permanent status."⁴⁴¹ In April 1989 Shamir visited Washington and was encouraged to submit a plan for the continuation of the peace process. During his two years as prime minister from 1986-88 Shamir succeeded in stalling progress by raising numerous objections to the modalities and substance of the negotiations. However, several factors including the ongoing Intifada, the belief among many Israelis that the status quo was no longer tolerable, and American pressure, combined to persuade Shamir to proceed with negotiations. The plan he submitted the following month was largely a restatement of the autonomy provisions and elections plan included in the Camp David Accords; a formula which had been abandoned by the United States early in the Reagan administration.⁴⁴² It proposed elections in the West Bank and Gaza to chose Palestinian representatives who would then negotiate with Israel over terms for autonomy and other long-term arrangements. It excluded the PLO from participating in the process, and rejected the establishment of a

⁴⁴⁰Bernard Reich, "The United States in the Middle East," Current History, 90:552, (January 1991), 5.

⁴⁴¹For the text of this address see U.S. Department of State (James Baker), "Power for Good: American Foreign Policy in the New Era," Current Policy, no. 1162, 14 April 1989.

⁴⁴²See Bernard Reich, "The United States in the Middle East," Current History, 90:552, (January 1991), 5.

Palestinian state in the West Bank or Gaza. The plan also demanded an end to the violence in the territories (the Intifada) as a pre-condition for elections, and excluded residents of east Jerusalem and those who were previously deported.

There was a degree of mutual suspicion between Baker and Shamir concerning their respective intentions. Although dissatisfied with the limited extent of Shamir's initiative, Baker decided to pursue negotiations using the initiative as a starting point.⁴⁴³ In a speech before AIPAC on May 22, 1989, Baker clearly directed his comments toward Shamir when he said that Israel had to, "forswear annexation...stop settlement activity...[give up] the unrealistic vision of a Greater Israel, and reach out to the Palestinians as neighbors who deserve political rights."⁴⁴⁴ These remarks sent a message to Shamir that the Bush administration was prepared to play an active role in the peace process although not on Shamir's terms, and that it would be less sympathetic to Israeli concerns than the previous administration.

During the summer of 1989 trilateral negotiations took place between the U.S., Israel and Egypt concerning the modalities of representation and elections for the Palestinians in the occupied territories.⁴⁴⁵ In October Baker issued his own list of five points which would serve as a guideline for the remaining outstanding issues.⁴⁴⁶ On

⁴⁴³For his account of these events see Baker, The Politics of Diplomacy, 124-26.

⁴⁴⁴U.S. Department of State (James Baker), "Principles and Pragmatism: American Policy Toward the Arab-Israeli Conflict," Current Policy, no. 1176, 22 May 1989.

⁴⁴⁵For a discussion of this period see Amos Perlmutter, "Israel's Dilemma," Foreign Affairs, 68:5, (Winter 1990), 119-32.

⁴⁴⁶The five points were: a comprehensive settlement based on UN resolutions 242 and 338; direct

November 5 the inner cabinet in Jerusalem formally accepted Baker's five-point formula. However, in the six months that followed little progress was made as the debate became stalled on procedural issues. Baker felt that Shamir was using this as a delaying tactic, and tension increased in the bilateral relationship as Bush pressured Israel to show greater flexibility. Shamir and his colleagues believed that far more contentious issues awaited them once the procedural arrangements were resolved, and they did not want to publicly say no to the United States with regard to entering into negotiations.⁴⁴⁷

Bilateral relations continued to deteriorate during the spring of 1990 as Baker's initiative appeared destined to fail. The issue of the resettlement of Soviet Jews was injected into the already tense dialogue when Israel requested a \$400 million loan guarantee for the construction of housing to accommodate these new immigrants.⁴⁴⁸ Shamir referred to the need for a "big Israel" to accommodate the massive influx of immigrants (200,000 in 1990 and 145,000 in 1991) from the collapsing Soviet Union; a comment which caused considerable concern in the United States.⁴⁴⁹ If Shamir's remarks meant that the requested funds would be used to settle the new immigrants in the

negotiations; a transitional period between negotiations and the final settlement; neither permanent Israeli control of the territories nor an independent Palestinian state; and self-government for the Palestinians in the West Bank and Gaza. The most difficult among these was the role of the PLO in the elections and negotiations. Baker wrote, "The United States...understands that elections and negotiations will be in accordance with the Israeli initiative." However, "The Palestinians will be free to raise issues that relate to their opinion on how to make elections and negotiations succeed." See The Washington Post, 12 October 1989.

⁴⁴⁷William Quandt, "The Middle East," Foreign Affairs, 70:1, (America and the World 1990/91), 54.

⁴⁴⁸See The New York Times, 31 January 1990.

⁴⁴⁹The Washington Post, 1 February 1990.

occupied territories then the funds would not be made available. In March 1990 Bush publicly called on Israel not to settle Jews in the West Bank or east Jerusalem, and reminded Shamir that all U.S. aid must be spent inside of the 1967 borders. This statement piqued Shamir's annoyance with Bush and Baker, and two days after Bush's remarks Shamir announced that he had lost confidence in the United States and formally rejected Baker's plan.⁴⁵⁰ Despite the contentious debate, an agreement was reached for Israel to receive the loan guarantees. However, it had become apparent that the United States and Israel had divergent interpretations concerning the definition of the "green line," particularly as it applied to Jerusalem.⁴⁵¹

Shamir's position, and those of his Likud colleagues who were even more opposed to making concessions, exacerbated the existing tensions in the National Unity Government as Labor leaders tried to persuade Shamir to be more responsive to American mediation. The Labor party threatened to withdraw from the NUG unless Shamir accepted Baker's proposals. This triggered a coalition crisis (to some degree engineered by Peres and other Labor ministers who thought they could form a government) that led to the dismissal of Shimon Peres from his position as finance minister.⁴⁵² Although the Bush administration attempted to avoid the appearance of interfering in domestic Israeli politics, it was apparent that they favored Shimon Peres in

⁴⁵⁰The Jerusalem Post (International Edition), 24 March 1990.

⁴⁵¹Quandt, "The Middle East," 58. The issue of loan guarantees was revisited in the wake of the Gulf War, and on this later occasion the political and financial stakes were substantially higher.

⁴⁵²For a discussion of the crisis and the political fallout see, Alan Dowty, "Israel: The Deadlock Persists," Current History, 90:552, (January 1991), 14-17.

the political showdown that followed. Moshe Arens, who served as foreign minister in the NUG accused the United States (and Baker in particular) of, "interfering in the Israeli domestic political arena in an undisguised attempt to bring down the democratically elected government of Israel...bringing on a number of government crises in Israel...and eventually contributing to the downfall of the government led by Yitzhak Shamir."⁴⁵³

Peres succeeded in bringing down the government through a vote of no-confidence in March 1990, but then failed in his attempt to construct a governing coalition (with himself as prime minister) despite nearly three months of political haggling.⁴⁵⁴ It became apparent that Peres had overplayed his hand when Shamir succeeded in forming a slim majority coalition in June 1990 comprised of the Likud, the religious parties, and the nationalist parties to the right of Likud. The composition of this government suggested that concessions from Israel on the peace process would be even less forthcoming than during the Labor-Likud NUG. Additionally (and perhaps in a rebuff to Baker's earlier comments), Shamir described the government as including, "all the national forces that have fought and worked for the sake of Eretz Yisrael, for settlement of all parts of Eretz Yisrael."⁴⁵⁵ This was the most right-wing government in Israel's history, and the prospect of this government running affairs in Jerusalem for the

⁴⁵³Moshe Arens, Broken Covenant: American Foreign Policy and the Crisis Between the United States and Israel (New York: Simon and Schuster, 1995), 9.

⁴⁵⁴At one point Peres announced that he had succeeded in forming a coalition. See The Washington Post, 5 April 1990; and The New York Times, 5 April 1990. Israelis became disgusted by the political deal-making which occurred during this crisis and there were demands for electoral reform. See The Washington Post, 8 April 1990.

⁴⁵⁵For a discussion of the policy perspectives of government see, Ze'ev Begin, "A Vision of Israel at Peace," Foreign Affairs, 70:4, (Fall 1991), 21-35.

next two years did little to improve U.S.-Israel relations.

During the protracted government crisis Bush and Baker informed Israel that they expected the peace process to move forward once a new Israeli government had been formed, either by Labor or Likud.⁴⁵⁶ Frustrated by the formation of a right-wing coalition that promised a renewed settlement effort in the occupied territories, Baker said during a congressional hearing that he was no longer convinced that the Israeli government was serious about pursuing peace.⁴⁵⁷ In a moment of high Washington drama the Secretary of State sent a very public message to Shamir, "When you are serious about peace, call us. The [White House] phone number is 202-456-1414." Shamir reinforced Baker's view when, in response to a letter from President Bush, he reviewed his government's position on negotiations, which included a rejection of talks between Israel and the Palestinians. He identified the refusal of the Arab states to negotiate directly with Israel as the source of the impasse, as opposed to Israeli inflexibility concerning the modalities of negotiations. To Bush and Baker this appeared to be backsliding from Shamir's previous acceptance of Baker's five points.

The bilateral relationship continued to deteriorate in late May 1990 when the Bush administration seemed ready to vote in support of a UN resolution that was unfavorable to Israel. The resolution would have authorized the UN Secretary General to investigate conditions in the occupied territories in response to an attack that occurred earlier that month in which an Israeli killed seven Palestinians in an unprovoked ambush on the

⁴⁵⁶Dowty, "Israel: The Deadlock Persists," 34.

⁴⁵⁷Reich, "The United States in the Middle East," 6.

outskirts of Tel Aviv. It became apparent that in this instance Israel could not rely on the U.S. veto in the Security Council as it had on so many previous occasions. In anticipation of the impending resolution, the Shamir government preemptively announced that it would not permit such an investigative body to enter Israel or the occupied territories.⁴⁵⁸ The U.S. and Israel eluded this confrontation when on May 30, just as the resolution was coming to a vote, a squad from the Palestine Liberation Front launched an attack on the Israeli coast near Tel Aviv. The squad was intercepted and the operation failed. However, the next day the United States vetoed the resolution pending before the Security Council.⁴⁵⁹

The administration faced a considerable amount of domestic pressure from those who believed that in the preceding months U.S. policy had gone too far in pressuring Israel while rewarding the PLO. Bush insisted that Arafat denounce and discipline those responsible for the attack; a move which Arafat resisted. The PLO Chairman denied direct responsibility and refused to condemn the operation. Arafat justified his position by shifting responsibility to the U.S. decision to veto the May 31 resolution in the Security Council. On June 20 Bush suspended the U.S.-PLO dialogue due to the latter's refusal to condemn the operation undertaken by a PLO faction.⁴⁶⁰ American officials observed that his refusal to repudiate the attack was in contradiction to Arafat's

⁴⁵⁸See The New York Times, 24-28 May 1990.

⁴⁵⁹The PLF is a PLO faction led by Abul Abbas, the mastermind of the October 1985 Achille Lauro cruise ship hijacking and a member of the PLO Executive Committee.

⁴⁶⁰Quandt, "The Middle East," 56.

renunciation of terrorism in December 1988, which was one of the conditions that led to the establishment of the dialogue.⁴⁶¹

Saddam Hussein's invasion and occupation of Kuwait in August 1990 temporarily suspended the peace process as the United States, Israel, the Palestinians and the Arab states were forced to confront this development. The decision by the PLO to support Iraq, coupled with the suspension of the U.S.-PLO dialogue, assured that the dialogue between Israel and the Palestinians would have to wait until events in the Gulf had played themselves out. Additionally, the widespread support for Saddam among Palestinians in the occupied territories (especially during the Scud missile attacks on Israel's population centers) further soured the already troubled relationship between Israelis and Palestinians. Even staunch advocates of compromise within the Israeli peace movement such as Yossi Sarid and Dedi Zucker publicly expressed outrage at the position taken by the Palestinians.⁴⁶² Sarid, a leftist member of Knesset wrote, "One needs a gas mask to overcome the poisonous and repelling stench emitted by the pro-Saddam position adopted by the PLO...Until further notice the Palestinians can count me out."⁴⁶³ Yaron London, another prominent peace activist, expressed similar sentiments, "Goodbye Faisal Husseini, goodbye Sari Nusseibeh...When you come back to ask for my sympathy for your 'legitimate rights' you will find that your pro-Saddam screams have deafened my

⁴⁶¹See The New York Times, 21 June 1990.

⁴⁶²For a comprehensive history of the peace movement in Israel and its response to events in the Gulf see, Mordechai Bar-On, In Pursuit of Peace: The Peace Movement in Israel, 1967-91 (Washington, DC: U.S. Institute of Peace, 1996).

⁴⁶³Ha'aretz, 17 August 1990.

ears."⁴⁶⁴

Two issues dominated the U.S.-Israel relationship for the remaining eighteen months of the Bush administration following the conclusion of the Gulf War in March 1991: resumption of the peace process, and Israel's request for \$10 billion in loan guarantees. Whereas both the United States and Israel expected gratitude (and in Israel's case, compensation), be it political, financial, or military, for their role in the Gulf War, instead both sides quickly rediscovered the mutual suspicion and mistrust that characterized the relationship prior to Saddam's invasion of Kuwait.⁴⁶⁵ The issue of loan guarantees was revisited in the fall of 1991 when Israel requested \$10 billion to cover construction costs for housing for new immigrants during the next five years.⁴⁶⁶ Both the United States and Israel viewed the loan guarantees within the broader context of regional developments, however each chose to emphasize different developments. The United States linked the guarantees to progress in the peace process, and a commitment by the Shamir government to halt construction of new settlements in the occupied territories. In contrast, Israel viewed the guarantees in the context of its decision to exercise unprecedented restraint--as was firmly requested by the U.S.--in not responding to Iraqi missile attacks during the Gulf War. Shamir believed that Israel's decision to comply with the American demands would be rewarded by favorable consideration of its requests

⁴⁶⁴Yediot Ahranot, 14 August 1990. Sari Nusseibeh and Faisal Hussein are leaders of the Palestinian community in the occupied territories and for years had participated in dialogues with the peace movement in Israel. They also served as Palestinian representatives to the Madrid peace conference.

⁴⁶⁵Martin Indyk, "Watershed in the Middle East," Foreign Affairs, 70:1, (America and the World, 1991/92), 83.

for the loan guarantees. From Bush's perspective the United States had served Israel's vital strategic and political interests by largely eliminating the Iraqi conventional and unconventional threat.⁴⁶⁷ Any debt the United States owed to Israel had been satisfied by the \$650 million in financial compensation for "pain and suffering" from the Iraqi Scud attacks and \$700 million in a special military grant, both of which were in addition to the annual \$3 billion in economic and military assistance.

Bush recalled the negotiations the previous year that led to the granting of \$400 million in loan guarantees; negotiations in which Shamir assured the U.S. that his government would not take the initiative in settling new immigrants in the occupied territories. In the ensuing months the U.S. watched with dismay as Ariel Sharon (the Minister of Housing and Construction in the new government) undertook an ambitious program to construct 16,000 new housing units in the occupied territories, done with Shamir's acquiescence if not active support. This time Bush was determined that the U.S. would not provide the loan guarantees unless he received adequate assurances concerning a freeze on the construction of new settlements.⁴⁶⁸ Additionally, his Palestinian interlocutors repeatedly reminded Baker that their participation in negotiations was conditional on a freeze in settlements. It was now the United States that explicitly spoke

⁴⁶⁶Don Peretz, "Israel Since the Persian Gulf War," Current History 91:561, (January 1992), 17.

⁴⁶⁷There were divergent analyses concerning the degree of damage which was inflicted upon Iraq's war-making capability and the effectiveness of the Patriot systems. See Arens, Broken Covenant, 179-217; George N. Lewis, et al., "Casualties and Damage from SCUD Attacks in the 1991 Gulf War." (Cambridge: MIT Center for International Studies, Defense and Arms Control Studies Program, 1993); "Intelligence Successes and Failures in Operations Desert Shield/Desert Storm," Washington, DC: Committee on Armed Services, U.S. House of Representatives, 1993), 17-19.

⁴⁶⁸Indyk, "Watershed in the Middle East," 83.

in terms of linkage, and the loan guarantees became contingent upon a construction freeze in the occupied territories. Shamir responded by increasing his efforts (with the help of AIPAC and the American Jewish organizations) to pressure Bush and persuade Congress to approve the loan guarantees despite the administration's objections.⁴⁶⁹

In June 1991 the Bush administration publicly informed Israel that it would have to choose between settlements and the loan guarantees. Dismayed by the American approach, but cognizant of its need for the guarantees, the Shamir government accepted Baker's proposal for an international peace conference. Shamir calculated that this concession would clear the way for passage of the loan guarantees while sidestepping the issue of settlements.⁴⁷⁰ Bush and Baker recognized Shamir's gambit. In response they sought to consolidate the gain concerning an international conference while maintaining the leverage provided by Israel's need for the loan guarantees. The administration formally asked Congress to delay consideration of the guarantees for 120 days (ostensibly to avoid interfering with the peace process). The President encountered congressional resistance to this request, and in a gambit of his own he decided to take his appeal to the court of public opinion, which in general is negatively predisposed toward foreign assistance. On September 12, 1991, Bush held an impromptu press conference, and in a remarkably confrontational tone he denounced Israel's settlement policy and the efforts of the pro-Israel lobby to influence American foreign policy. He threatened a veto if

⁴⁶⁹The New York Times, 23 May 1991.

⁴⁷⁰According to one source Shamir was so confident this would end the impasse that his cabinet was already debating budget allocations which assumed the first \$2 billion installment would be received. See Indyk, "Watershed in the Middle East," 84.

Congress moved ahead with the legislation, and observed that Israel was already receiving a substantial amount of U.S. assistance despite difficulties in the domestic economy.⁴⁷¹ "We're up against very strong and effective groups that go up to the Hill. I heard today there were something like a thousand lobbyists on the Hill working the other side of the question." Referring to himself he said, "We've got one lonely guy down here. I think the American people will support me." The President continued, "Just months ago, American men and women in uniform risked their lives to defend Israelis in the face of Iraqi Scud missiles. During the current fiscal year alone, and despite our own economic problems, the United States provided Israel with more than \$4 billion in economic and military aid, nearly \$1,000 for every Israeli man, woman, and child."⁴⁷² The President's tough tactics stunned observers both in Washington and Jerusalem.

In the months that preceded the Gulf War (during Operation Desert Shield) the United States repeatedly rejected Saddam's linkage of the events in Kuwait to the Arab-Israeli conflict. However, in an address to the UN General Assembly on October 1, 1990, Bush stated, "In the aftermath of Iraq's unconditional withdrawal from Kuwait I truly believe there may be opportunities for all states and peoples of the region to settle the conflicts that divide the Arabs from Israel."⁴⁷³ This was viewed as an American commitment to its Arab coalition allies to undertake a new peace initiative after the

⁴⁷¹The New York Times, 13 September 1991.

⁴⁷²For the full text of the President's comments see The New York Times, 13 September 1991.

⁴⁷³UN General Assembly, 45th Session, 5 October 1990, address reprinted in The New York Times, 6 October 1990.

conclusion of the Gulf War, and Bush and Baker sought to deliver on their assurances soon after the war ended. In an address to a joint session of Congress on March 6, 1991 (less than a week after the cessation of hostilities) the President said, "The time has come to put an end to the Arab-Israeli conflict...The principles must be elaborated to provide for Israel's security and recognition, and at the same time for legitimate Palestinian political rights."⁴⁷⁴ A few days later Baker began a new round of shuttle diplomacy between Middle East capitals.

Baker sought to capitalize on the political realities that existed in the wake of the Gulf War: the PLO was politically and financially weakened as a result of its support for Iraq; the Syrians appeared willing to participate in a dialogue with Baker; the Saudis and other Gulf states could be expected to support the American initiative (or at least remain silent); Egypt sought to return to a position of leadership in the Arab world by acting as a broker in the process; and finally Israel's improved strategic position following Iraq's defeat, coupled with its desperate financial situation due to the mass influx of Soviet immigrants, appeared to provide Baker with considerable bargaining leverage. Additionally, after Arafat agreed to allow the Palestinians to be represented at an international peace conference by a delegation of Palestinian representatives headed by Faisal Husseini, Shamir concluded that Israel could no longer appear as the sole obstacle to peace. Growing international and domestic pressure also contributed to Shamir's decision to participate in an international conference. Temporarily at least, Shamir was

⁴⁷⁴The Washington Post, 7 March 1991. The text appears in William Quandt, Peace Process (Washington, DC: Brookings, 1993), 495-96.

sidestepped American pressure.

The conference in Madrid was intended to serve as a precursor to direct bilateral negotiations between the Arab states and Israel, and Palestinian representatives and Israel. Having agreed to participate, Shamir now set out to ensure that the negotiations took place in an environment that would preclude the possibility of Israeli isolation. Shamir elicited an assurance from Baker that the United States would not intervene in the negotiations or attempt to impose a solution upon Israel. In July 1991 Shamir reiterated his demand that the negotiations not be explicitly based upon the principle of "land for peace." On July 24 he stated, "I do not believe in territorial compromise. I believe with my entire soul that we are forever connected to the entire homeland."⁴⁷⁵ Negotiations concerning the modalities of the proposed conference dragged on for weeks and clearly tested Baker's patience.

Drawing lessons from the Camp David experience, the Bush administration recognized that Israeli flexibility would be influenced by the state of the bilateral relationship. As Jimmy Carter had recognized, an Israel that felt pressured and isolated would be less likely to take the risks necessary for peace. However, an Israel that was reassured in its most important external relationship would be more likely to make concessions. Consequently, the Bush administration attempted to repair some of the damage that had been done to the bilateral relationship in the preceding months without undermining its negotiating position. In an address to the UN General Assembly in September 1991 Bush called for the repeal of the 1975 UN resolution equating Zionism

⁴⁷⁵The Washington Post, 25 July 1991.

with racism. On December 3, the day before the Arab-Israeli negotiations were due to begin in Washington, the State Department announced the United States would actively pursue the President's call for the repeal of the resolution. The resolution was repealed on December 16 by a vote of 111 to 25, with 13 abstentions.⁴⁷⁶

The international conference was convened in Madrid on October 30, 1991. The psychological importance and symbolic value of this event was significant since this represented the first time the Arab states, Israel and the Palestinians came together in negotiations. The forum provided an opportunity for all sides to air their grievances and to present their opening negotiating positions. The parties recognized that the direct negotiations that were scheduled to begin in Washington in December would be the forum for substantive negotiations, and these discussions would occur away from the spotlight of the international media.⁴⁷⁷ Nevertheless, the Madrid Conference represented a significant step forward in breaking down the barriers that previously prevented dialogue between Arab states, the Palestinians and Israel.

The negotiations began in Washington in December 1991. After several months of talks with no results it appeared that Shamir's objective was to avoid serious negotiations on the future of the occupied territories and their Palestinian inhabitants. Israel's strategy appeared designed to focus its efforts on the prospect of reaching a settlement with Syria. However, Syria's willingness to negotiate appeared limited to

⁴⁷⁶See U.S. Department of State (John R. Bolton), "Repeal UN Zionism is Racism Resolution," Current Policy, no. 1269, 30 March 1990; and The Washington Post, 12 December 1989.

⁴⁷⁷For a description of the events in Madrid see Milton Viorst, "Report from Madrid," The New Yorker, 9 December 1991, 58. Over 5,300 members of the media were issued credentials to cover this event.

discussions concerning the modalities of an Israeli withdrawal from the Golan Heights, and it soon became clear that the negotiations with Syria were not making progress. Eventually the focus of the talks was redirected back to the future of the occupied territories and the Palestinians.

An impasse was reached in the negotiations by the spring of 1992. A number of external factors also contributed to the stalemate. Knesset elections were advanced to June following another parliamentary crisis, and the Israeli electorate shifted its attention to the upcoming campaign. Elections were also approaching in the United States, and Bush's team began redirecting its energies toward the campaign.⁴⁷⁸ Baker was reluctant to undertake any risky foreign policy initiatives with the election approaching, and he seemed satisfied with avoiding a total breakdown in the stalemated negotiations. As far as the \$10 billion loan guarantees were concerned, Bush remained firm in upholding the linkage between the guarantees and a freeze in settlements.⁴⁷⁹

On June 23, 1992, the Labor party now led by Yitzhak Rabin defeated Shamir and the Likud.⁴⁸⁰ Rabin committed Israel to reviving the dormant peace negotiations and publicly accepted the concept of exchanging territory for peace.⁴⁸¹ He also promised a

⁴⁷⁸In August 1992 Baker left the State Department for the White House to direct Bush's re-election effort. Lawrence Eagleburger was named acting-Secretary of State.

⁴⁷⁹The issue repeatedly re-entered the debate during the spring of 1992. See The New York Times, 17 January, 25 February, and 18 March 1992.

⁴⁸⁰For a discussion of the 1992 Knesset election and Rabin's return to the head of the Labor Party see, Asher Arian, The Elections in Israel, 1992 (Albany: SUNY Press, 1994); and Gideon Doron, "Labor's Return to Power in Israel," Current History, 92:570, (January 1993), 27-31.

⁴⁸¹This was not a new position for the Labor Party, which traditionally endorsed the concept of territorial compromise.

reordering of the nation's priorities that included dramatic cuts in public financing for settlers in the occupied territories. As far as the bilateral negotiations in Washington were concerned, Rabin believed that the previously negotiated terms should not be altered. However, Rabin replaced Shamir's negotiators with his own team (the one exception was Eli Rubinstein who continued as the head of the delegation that negotiated with Jordan and the Palestinians).

There was a nearly audible collective sigh of relief in Washington. Rabin differed from Shamir both in terms of style and substance. It became apparent that Shamir viewed the negotiations as a delaying tactic, and insisted that whatever the results of the negotiations Israel must maintain control over the occupied territories. In contrast, Rabin sought genuine results from the negotiations including a political framework for beginning Israel's withdrawal from the territories, and an end to the occupation that he believed had become untenable. Rabin predicted that within nine months an agreement would be reached on Palestinian self-rule, and in his first meeting with Bush he proposed a detailed timetable for elections for a Palestinian council in the territories.⁴⁸²

Rabin's commitment to the peace process produced immediate dividends in the U.S.-Israel relationship. Baker applauded Rabin's plan to reorder Israel's national priorities and observed that, "Rabin is serious about limiting settlements."⁴⁸³ Both President Bush and Prime Minister Rabin were interested in repairing the bilateral relationship, and after Rabin spent a weekend at the President's summer home in

⁴⁸²Ha'aretz, 14 August 1992.

⁴⁸³The New York Times, 20 July 1992.

Kennebunkport, Maine, Bush authorized the \$10 billion loan guarantees that had been denied to the Shamir government. Almost overnight the relationship shifted from mutual mistrust to the close ties more commonly associated with the bilateral relationship.

Military Assistance

The Carter administration approached the issue of military sales and assistance from a different philosophical perspective than its predecessors (see Table 4-1). Jimmy Carter was personally opposed to the use of arms sales as a foreign policy tool, particularly to reward either Israel or the Arab states for cooperation in the peace process, which by its very nature should reduce the necessity for additional weapons. During his campaign he criticized the arms sales policies of previous administrations and promised to limit the proliferation of conventional and nuclear weapons. Carter declared, "We've fought fire with fire, never thinking that fire is better quenched with water. This approach failed, with Vietnam the best example of its intellectual and moral poverty."⁴⁸⁴

Carter's approach led to conflicts with Israel, especially since Israel had been enjoying the benefits of an expanded military supply and assistance relationship during the preceding five years. Carter ordered a review of arms sales policies with the objective of reducing U.S. arms transfers. The subsequent report and presidential directive placed strict controls on arms sales, co-production agreements, and technology transfers outside of NATO. A series of decisions that followed the report reflected the goals and the philosophical approach of the new administration. Perhaps the most important of these in

⁴⁸⁴Public Papers of the Presidents: Jimmy Carter, 1977, Part I, 956.

terms of the bilateral relationship was the decision by the Carter administration to veto Israel's proposed \$150 million sale of Kfir fighter aircraft to Ecuador. The sale was viewed as critical to Israel's defense industry, and Israeli officials believed that they had received assurances from Kissinger that the U.S. would approve the sale.⁴⁸⁵ The administration also cancelled the delivery of CBU-72 concussion bombs that had been contracted during the Ford administration. Due to the nature of this weapon and its horrific effect on civilian populations and non-combatants, the President appointed a review panel to consider the elimination of these weapons from the American arsenal. Additionally, co-production agreements for F-16s and other systems were not approved, and a number of Israel's arms requests were delayed.⁴⁸⁶ The president's commitment to balanced, comprehensive arms control in the Middle East was questioned when the administration decided to proceed with the sale of Maverick air-to-ground missiles to Saudi Arabia despite the fact that Carter had specifically opposed the sale during his campaign.⁴⁸⁷ Following an intense lobbying effort from individuals both within and outside his administration, the President decided to reinstate Israel as a favored recipient of U.S. arms.⁴⁸⁸

A new experiment in American arms sales to the Middle East occurred in the

⁴⁸⁵Since the Kfir utilizes an American-made engine the transfer to a third party must be approved by the United States under the terms of the Arms Export Control Act. See The New York Times, 16 February 1977.

⁴⁸⁶Reich, The United States and Israel, 50.

⁴⁸⁷Brzezinski, Power and Principle, 91-92; and Steven L. Spiegel, The Other Arab-Israeli Conflict (Chicago: University of Chicago Press, 1985), 330.

spring of 1978 when the Carter administration bundled the proposed sale of fighter aircraft to Israel, Saudi Arabia, and Egypt into one package. The President believed that Congress would approve the sales to Egypt and Israel without difficulty due in part to recent progress in the peace process (most notable was Sadat's visit to Jerusalem in November 1977). However, the administration was concerned that its proposed sale of F-15s to Saudi Arabia would meet substantial opposition, especially since Carter had personally opposed sophisticated arms sales to Saudi Arabia during his presidential campaign.⁴⁸⁹ By linking the three sales he presented an "all or nothing" proposition to Congress.⁴⁹⁰ Secretary of State Vance argued that the proposed sale served America's national interests, and he specifically cited the importance of Saudi Arabia, "in promoting a course of moderation in the Middle East...in world affairs, as in petroleum and financial policy."⁴⁹¹ A bruising battle ensued on Capitol Hill as Israel's supporters sought to persuade Congress to block the sale, and the administration responded with a campaign of its own.⁴⁹² Following a series of compromises and assurances, the Senate refused to block the sale by a vote of 54-44. Although the administration ultimately prevailed, the battle caused a significant amount of collateral damage. The President's support within the

⁴⁸⁸The New York Times, 25 April and 9 May 1977.

⁴⁸⁹Speech to New York Synagogue Council, 1 April 1976. See The New York Times, 2 April 1976.

⁴⁹⁰For a review of the arguments made by the respective states and their supporters see Reich, The United States and Israel, 62-63; and Spiegel, The Other Arab-Israeli Conflict, 346-49.

⁴⁹¹Department of State Bulletin, March 1978, 37.

⁴⁹²These assurances were revisited during the AWACS debate in 1981. The external fuel tanks and bomb racks that were explicitly excluded from the sale (or future sales) were subsequently included in

American Jewish community was badly shaken, Israeli leaders questioned the President's intentions, and the peace process languished for four months while U.S.-Israel relations deteriorated as both sides waged their respective campaigns in Congress. Brzezinski observed that Carter never fully recovered politically from this episode.⁴⁹³

Military assistance levels remained constant during the Carter presidency at \$1 billion annually, split equally between loans and grants. As part of the Camp David process the United States agreed to cover the costs of building three new air bases in the Negev to replace the three bases which Israel agreed to abandon in Sinai. The cost for the bases was set at \$3 billion; during 1979 \$2.2 billion of that total was made available to Israel in the form of loans, and \$800 million in grants. Military assistance (both in terms of loans and grants) returned to the previous level the following year.

Israel remained interested in pursuing a bilateral defense treaty with the United States despite the fact that Carter had ruled out such a possibility in his discussions with Begin at Camp David. Carter was not impressed by Begin's argument that Israel offered great strategic value to the United States.⁴⁹⁴ However, following Carter's defeat in the 1980 election Menachem Begin felt that an opportunity existed to revisit the issue with the incoming Reagan administration. Reagan's anti-Soviet rhetoric during the campaign suggested that he might be favorably disposed to considering the Israeli request, especially since on more than one occasion he assured Israel that he was committed to

the AWACS package three years later.

⁴⁹³Brzezinski, Power and Principle, 248.

⁴⁹⁴Lewis, "The United States and Israel," in Quandt, ed., The Middle East, 234.

maintaining Israel's qualitative superiority over its adversaries.⁴⁹⁵ In their first meeting in September 1981 Reagan told Begin, "You may rest assured that the security of Israel is a principle objective of this administration and that we regard Israel as an ally in our search for regional peace and stability." He emphasized his perception of Israel as a "strategic asset of the United States."⁴⁹⁶

Menachem Begin and Ronald Reagan shared a common East-West worldview, and a mutual distrust of Soviet intentions and their proclivity for fomenting instability in the Middle East. In their September 1981 meeting Begin detailed for the President Israel's role in containing Soviet influence, and the influence of Moscow's allies in the region (particularly Iraq, Syria, and the PLO). The Prime Minister also reviewed previous instances in which Israel acted in support of U.S. strategic interests.⁴⁹⁷ Reagan was impressed with Israel's capabilities in this context, and Begin's Defense Minister, Ariel Sharon, quickly learned how to exploit the President's animus toward the Soviets in pursuit of his political and military agenda.⁴⁹⁸ In a number of meetings with senior American officials in October and November 1981 Sharon presented grandiose schemes in which Israel--in a strategic partnership with the United States--could serve as a

⁴⁹⁵For a review of U.S. arms sales policies during the Reagan administrations see, U.S. Department of State (Richard W. Murphy), "Arms Sales Policies Toward the Middle East," Current Policy, no. 822, 22 April 1986.

⁴⁹⁶Haig, Caveat, 108.

⁴⁹⁷These included Israel's mobilization during the 1970 crisis in Jordan, and the sharing of battlefield intelligence relating to Soviet weapons and doctrine including the transfer to the U.S. of Soviet tanks following the 1967 and 1973 wars.

⁴⁹⁸Interview with Ambassador Samuel Lewis, 17 May 1995, Washington, DC.

platform to counter a hypothetical Soviet military thrust into the Middle East or Persian Gulf.

Despite Defense Secretary Casper Weinberger's strong opposition to Sharon's schemes, Reagan instructed the Defense Department to conduct an examination of areas in which closer strategic cooperation between the United States and Israel could occur. This process culminated in the signing of A Memorandum of Understanding on Strategic Cooperation (MOU) on November 30, 1981.⁴⁹⁹ The preamble noted that the memorandum "reaffirms the common bonds of friendship and cooperation between the United States and Israel and builds on the mutual security relationship that exists between the two nations." Containing Soviet influence was clearly the primary objective of the agreement. "The parties recognize the need to enhance strategic cooperation to deter all threats from the Soviet Union to the region. United States-Israel strategic cooperation as set forth in this memorandum is designed against the threat to peace and security of the region caused by the Soviet Union or Soviet-controlled forces from outside the region introduced into the region." A coordinating council and several working groups were established to pursue areas of bilateral military cooperation. However, the following month the President instructed Secretary of State Haig and Secretary of Defense Weinberger not to proceed with the implementation of the MOU as a result of Israel's unilateral annexation of the Golan Heights. The MOU remained suspended for the next two years as the bilateral relationship experienced difficulties following Israel's invasion of Lebanon and subsequent events that led to American intervention.

⁴⁹⁹For the text of the agreement see The New York Times, 1 December 1981.

Relations improved in the later months of 1983, and the United States and Israel revisited the issue of strategic cooperation.⁵⁰⁰ In testimony before the House Foreign Affairs Committee in June Secretary Weinberger spoke of the strong bonds between the United States and Israel, and of Israel's strategic value to the United States. He stated that the revival of the 1981 Memorandum of Understanding, "could take place at virtually any time, depending on the wishes of the Israeli government."⁵⁰¹ In November 1983 Reagan and Shamir concluded another agreement on closer strategic cooperation. This agreement included the establishment of a Joint Political-Military Group (JPMG), which held regular consultations on improving bilateral military cooperation in areas such as, "combined planning, joint exercises, and prepositioning of U.S. equipment in Israel." Similar to the 1981 agreement, strategic cooperation was directed primarily against the Soviets. The JPMG was directed to, "give priority attention to the threat to our mutual interests posed by increased Soviet involvement in the Middle East."⁵⁰²

A number of other cooperative military efforts were undertaken during the Reagan years. In 1987 another MOU was signed in which Israel was designated a "major non-NATO ally;" a designation that facilitated greater cooperation in arms supply and production (including for use by U.S. forces) and accorded Israel the same privileges

⁵⁰⁰This was largely due to the departure of Ariel Sharon and Menachem Begin, and their replacement by Yitzhak Shamir as prime minister and Moshe Arens as defense minister. Arens had served as Israel's ambassador to Washington and had developed a personal relationship with senior officials in the Reagan administration.

⁵⁰¹The New York Times, 15 June 1983.

⁵⁰²White House Press Release, "Remarks of the President and Prime Minister Yitzhak Shamir," 29 November 1983.

enjoyed by NATO countries when dealing with the Department of Defense.⁵⁰³ Israel also participated in the Strategic Defense Initiative (SDI), probably the most controversial defense program of that era.⁵⁰⁴ On May 6, 1986, Secretary Weinberger and Minister of Defense Rabin formalized the agreement for Israel's participation in SDI research. Israel's participation largely involved the research and development of an anti-tactical ballistic missile (ATBM) known as the Reshet (Arrow).⁵⁰⁵ Israel's interest in such a system was in response to the proliferation through acquisition and development of ballistic missiles and related technology by Syria, Iraq, Iran, Libya, Saudi Arabia and Egypt.⁵⁰⁶ Adding to the perceived threat was the acquisition and development of the technology necessary to arm these delivery systems with warheads containing chemical and biological agents, specifically by Syria, Iraq, and Libya. The threat these weapons could pose to U.S. forces operating in the region in the event of a military conflict contributed to the decision to pursue bilateral cooperation on an ATBM program.

A culmination and synthesis of the various military agreements reached during the

⁵⁰³The other states designated as non-NATO allies are Japan, Australia, South Korea and Egypt.

⁵⁰⁴For a response by Israel's political, defense, and scientific communities to the invitation to participate in SDI see Sheldon Teitelbaum, "Israel and Star Wars: The Shape of Things to Come," New Outlook, (May/June 1985), 59-62.

⁵⁰⁵The Washington Post, 29 June 1988. For a discussion of the social and economic benefits of Israel's participation in the program see Charles D. Brooks, "SDI: A New Dimension for Israel," Journal of Social, Political and Economic Studies, (Winter 1986), 341-48.

⁵⁰⁶Proliferation occurred primarily as a result of sales of these systems by the Soviet Union, China, and North Korea. See The Washington Post, 5 April 1988. There were also indigenous and multilateral research programs such as the Condor consortium project in which Iraq, Egypt and Argentina shared research and development costs. The project was eventually cancelled under substantial U.S. pressure. See The Washington Post, 28 December 1988.

Reagan years occurred in April 1988 on the fortieth anniversary of the establishment of the State of Israel. The United States and Israel signed a Memorandum of Agreement formalizing their cooperation on a range of military, economic, political, and intelligence matters.⁵⁰⁷ The agreement was to remain in effect for five years, after which time a renewal would occur upon mutual consent. Although falling short of the formal bilateral defense treaty Israel historically sought, the Memorandum of Agreement institutionalized the close cooperation between the two states and formalized procedures for ensuring the continuity of the strategic and economic relationship. Despite the fact that the bilateral relationship was experiencing difficulties at the time due to Shamir's resistance to Shultz's efforts to bring the Israelis and Palestinians to the negotiating table, the Prime Minister observed, "This is the most friendly administration we have ever worked with. They are determined that the strong friendship and cooperation will continue and even be strengthened despite the differences that crop up from time to time."⁵⁰⁸

In terms of loans and grants the level of military assistance given to Israel increased during Reagan's tenure from \$1.4 billion in 1981 to \$1.8 billion when he left office in 1989. However, these amounts tell only part of the story, as the terms of military assistance to Israel changed dramatically during that period. From 1981 to 1984 military assistance was divided equally between loans and grants, with a combined total of \$2.65 billion during that four-year period. However, beginning in 1985 (which

⁵⁰⁷"Memorandum of Agreement Between the United States of America and the State of Israel Regarding Joint Political, Security, and Economic Cooperation," 21 April 1988.

⁵⁰⁸The Washington Post, 22 April 1988.

coincided with the beginning of Reagan's second term and George Shultz's efforts to bail out the Israeli economy) Israel began to receive all of its military assistance in the form of grants with no repayment responsibility. In 1985 and 1986 military assistance totaled \$1.4 billion and \$1.72 billion respectively.⁵⁰⁹ In 1987 military assistance stabilized at \$1.8 billion annually, and has remained at that level in the nine years that followed.

Despite the generally close bilateral security relationship that existed during the Reagan years there were periods of tension. These included Reagan's use of the suspension of military deliveries as a means of expressing American displeasure with specific Israeli actions. This sanction was applied three times in 1981 alone. The first instance occurred following Israel's destruction of the Iraqi nuclear reactor in June 1981 when the President ordered the suspension of the delivery of four previously contracted F-16s. Ostensibly the suspension was ordered to provide the administration with time necessary to conduct a review to determine whether Israel had violated the terms of the 1952 Mutual Defense Assistance Agreement that permitted the supply of weapons exclusively for defensive purposes. The Begin government reminded Washington that a state of war technically existed between Iraq and Israel, and argued that the bombing was an act of "supreme legitimate self-defense" since an Iraqi nuclear capability would constitute a direct threat to Israel's existence.⁵¹⁰ The suspension was due to be lifted in July 1981 following a series of discussions between the two states concerning the

⁵⁰⁹ During these years the Gramm-Rudman-Hollings deficit reduction legislation affected foreign assistance appropriations.

⁵¹⁰ The Washington Post, 10 June 1981.

legitimate uses of American-supplied equipment. The U.S. statement described the atmosphere of these discussions as consistent, "with the candor and friendship that is customary between friends and allies."⁵¹¹ However, just two days after this statement the President decided to maintain the suspension as a result of Israel's aerial bombardment of PLO headquarters in West Beirut on July 17, 1981. A second shipment of six F-16s and two F-15s was also suspended, and the administration cited the escalation of violence and the inappropriateness of additional arms transfers during a period of heightened regional tensions as the rationale for the decision.⁵¹² On August 17 Secretary of State Haig announced, "following discussions with the government of Israel, consultations with Congress, and completion of the administration's review, the President has lifted the suspension of military aircraft to Israel."⁵¹³ The suspension was lifted without a formal determination as to whether Israel had violated the 1952 Defense Mutual Assistance Agreement. The third instance of withholding delivery of military equipment occurred in December 1981 following Israel's unilateral annexation of the Golan Heights. In addition to suspending the Memorandum of Understanding signed two weeks earlier, the administration postponed congressional notification of Israel's decision to purchase an additional 75 F-16s. The suspension on considering the sale was lifted in May 1982, but due to Israel's invasion of Lebanon the following month the administration chose to delay

⁵¹¹The New York Times, 15 July 1981.

⁵¹²The New York Times, 21 July 1981.

⁵¹³Department of State, "U.S. Lifts Suspension of Aircraft to Israel," 17 August 1981, Department of State Bulletin, 61.

official notification of the sale to Congress until May 1983.

Military assistance remained constant during the Bush administration at \$1.8 billion annually (all in grants), which had been the level during the last two years of the Reagan administration.⁵¹⁴ Following the Gulf War the issue of \$10 billion in housing loan guarantees became a central issue in the bilateral relationship. The United States attempted (unsuccessfully) to use the guarantees for bargaining leverage with the Shamir government with regard to halting the construction of settlements in the occupied territories.

In 1990 the Senate added provisions to its appropriations legislation that would allow Israel to earmark \$200 million of its \$1.2 billion in economic assistance for military purposes, despite U.S. laws to the contrary. Congress also provided Israel with the ability to use \$150 million of its Foreign Military Sales (FMS) credits for research and development in the United States and \$475 million for procurement in Israel. Israel also received \$700 million in transfers of U.S. military equipment from forces in Europe that were being withdrawn, and Congress doubled the \$100 million worth of U.S. military equipment stockpiled in Israel (to which Israel has access in emergencies).

Economic Assistance

The majority of U.S. economic assistance to Israel occurred during this period (1977-92) in the bilateral relationship (in comparison with the two previous periods). In

⁵¹⁴In 1990 the Gramm-Rudman-Hollings Deficit Control Act of 1985 took effect. Israel's aid was reduced by \$159 million (5.3%). However, after a series of hearings that sum was restored. See Congressional Research Service, Israel: Foreign Assistance Facts, Report IB85066, 3 March 1995, 8-14.

addition to substantial growth in both absolute and relative terms, there were significant changes in the terms of economic assistance (see Table 4-2). From 1951 to 1967 U.S. economic assistance to Israel was split nearly equally between loans and grants; loans totaled \$241.5 million and grants \$279.7 million.⁵¹⁵ In comparison, from 1976 to 1980 grants overtook loans as the primary vehicle of economic assistance by a 2:1 ratio.⁵¹⁶ In 1981 Israel began receiving all of its economic assistance in the form of outright grants with no repayment responsibilities.⁵¹⁷ By 1983, in both relative and absolute terms, Israel had become the largest recipient of annual American foreign assistance. Israel also began to receive other special privileges in receiving U.S. economic assistance (see Table 4-3). These included: cash flow financing which allows Israel to set aside current year payments only as opposed to setting aside funds necessary to meet the costs of multi-year purchases; direct Economic Support Fund (ESF) transfers, which provides funds directly to the government of Israel rather than under the auspices of a specific program (such as AID); and since 1982 early transfers, which allows Israel to receive ESF funds in one lump sum payment at the start of the fiscal year as opposed to quarterly installments

⁵¹⁵Congressional Research Service, Israel: U.S. Foreign Assistance, Issue Brief IB85066, 3 March 1995, 14.

⁵¹⁶The years 1955-57 were exceptions although the sums involved were much smaller (see the economic assistance section in the previous chapter). The division between grants and loans during that three year period was \$52 million in grants to \$40 million in loans. In comparison, economic grants in 1976 alone amounted to \$475 million.

⁵¹⁷This excludes U.S. housing loan guarantees which from 1972 to 1980 totaled \$200 million, and a \$400 million guarantee in 1990. The larger and more controversial \$10 billion guarantees (\$2 billion annually for five years) did not begin until FY 1993, and therefore are not included in this analysis.

similar to other recipients.⁵¹⁸

From 1948 to 1973 Israel sustained economic growth, rapid industrialization, low unemployment, and a rising standard of living. During this period Gross National Product (GNP) grew at an average rate of 9% annually in real terms, and per capita GNP grew at an average rate of 4.7% annually.⁵¹⁹ This rapid growth occurred despite heavy defense spending, a balance of trade deficit, and rapid immigration that resulted in a doubling of the population. This growth and development was sustainable largely due to an annual infusion of \$1 billion in foreign capital.⁵²⁰

Despite its economic achievements in its first 25 years, by the mid-1970s a number of domestic and international forces were undermining Israel's economic well-being. During the years of rapid development Israelis had grown accustomed to high rates of consumption and artificially high standards of living that were sustained by the programmatic infusions of foreign capital.⁵²¹ Additionally, Israel had invested in developing its industrial base and this required the import of the raw materials necessary to sustain its manufacturing industries. During the 1970s the prices for these raw materials (especially oil) dramatically increased, which in turn increased Israel's trade

⁵¹⁸Reich and Helman, "The United States-Israel Strategic Relationship During the Reagan Administrations," 12.

⁵¹⁹Congressional Research Service, The Israeli Economy, Issue Brief IB84138, 8 September 1987.

⁵²⁰The sources of this capital included German reparations, commercial loans, philanthropic contributions, Israel bonds, and U.S. economic assistance.

⁵²¹For a review of the Israeli economy and economic policies prior to the austerity measures see Stanley Fischer, "Israeli Inflation and Indexation," in Bernard Reich and Gershon R. Kieval, eds., Israel Faces the Future (New York: Praeger, 1986), 93-119.

deficit. An international recession, coupled with the high inflation that followed the oil crises of 1973 and 1979, reduced the demand for Israeli exports and raised the prices of Israeli imports. The return of the Sinai oil fields to Egypt in 1979 also had a negative effect on the economy. Additionally, Israel's cumbersome economic structure and centralized institutions proved incapable of responding effectively to the changing environment. Consequently, economic growth ceased, productivity fell, and inflation soared (40% in 1974, 50% in 1978, and almost 80% in 1979).⁵²² By 1980 Israel faced triple-digit inflation, rising unemployment, heavy external debt, and a \$5 billion deficit in its balance of payments.

An example of bilateral cooperation fostered by reliance on American assistance occurred from 1984-87 when the United States and Israel jointly developed and implemented an economic austerity program. In 1984 Prime Minister Shimon Peres turned to George Shultz for assistance in restoring Israel's economy.⁵²³ Inflation had surpassed an annual rate of 1,000 percent, and Israel faced an economic crisis both at home and in international financial circles. Shultz expressed a willingness to help on the condition that Israel agree to substantial economic reforms before emergency U.S. assistance would be considered. The prescribed reforms included: dramatic cuts in government spending; reducing or eliminating subsidies for basic goods; reducing consumption with a concomitant reduction in the standard of living; substantially

⁵²²Congressional Research Service, The Israeli Economy, 3. This study discusses problem areas of Israel's economy and reviews earlier efforts to address these problems.

⁵²³Shultz received a Ph.D. in economics from MIT in 1949 and served in a number of economics-related positions in academia and government before becoming secretary of state.

reducing or eliminating the trade deficit; and halting overseas borrowing to reduce debt and debt service costs.⁵²⁴ Shultz astutely formed a team of American economists led by Harvard professor Herbert Stein and MIT professor Stanley Fischer, both of whom enjoyed the confidence of both Washington and Jerusalem.⁵²⁵ The American economists and their Israeli counterparts became known as the United States-Israel Joint Economic Group, and they worked in an atmosphere of cooperation. The American team offered advice and expertise, monitored progress, and reported to Shultz on the implementation of the austerity program. It was fortuitous that the measures recommended by the Americans were on the whole consistent with the views of Finance Minister Yitzhak Modai and Peres' other economic advisers. Israeli leaders recognized that they would have to undertake dramatic and painful measures and, similar to the pending withdrawal from Lebanon, they hoped the National Unity Government would provide them (Labor and Likud) with some measure of political cover. At a minimum there was an expectation that neither party would exploit the situation for short-term political gain.⁵²⁶

There was some resistance to the American-led reforms within Israel's economic hierarchy especially by those who held entrenched positions in the bloated centralized

⁵²⁴For a review of the options considered as part of the economic reform effort see the Congressional Research Service study, The Israeli Economy, 5-15.

⁵²⁵Stein and Fisher were American Jews who had previously spent time in Israel in professional and private capacities. Stein was a former chairman of the President's Council of Economic Advisers. Both men were known quantities in Israel which helped them to overcome the traditional suspicion of unfamiliar individuals. Shultz also experienced this suspicion in his early encounters with Israel.

⁵²⁶Perhaps the best example of political exploitation of the economy occurred in 1981 when Likud Finance Minister Yoram Aridor reduced import taxes on color televisions prior to the 1981 elections. A buying spree soon followed.

bureaucracy and who now felt threatened. Some lamented the loss of sovereignty due to what they perceived as American intervention and micro-management of the Israeli economy.⁵²⁷ Those associated with the Histadrut (The General Federation of Labor) viewed the austerity plan as a frontal assault upon the power and influence they wielded through government-owned companies and enterprises (Israel Aircraft Industries is the largest and most prominent among these). However, Ambassador Lewis recalled that the majority of the government welcomed Shultz's involvement and seemed willing to accept the proposed reforms, particularly since the United States was willing to provide the required financial safety net. During Peres' first visit to Washington as Prime Minister in October 1984, he obtained assurances that the United States would provide emergency financial support if the proposed reform measures seriously threatened Israel's financial reserves.⁵²⁸ Subsequent to those assurances the United States allocated \$1.5 billion in emergency supplemental aid during 1985-86.

Shultz was clearly the key figure in this episode. He concluded that the United States had both a political and economic incentive for bailing Israel out of its economic morass. He believed that if Israel's economy collapsed this would cause an immediate and negative effect on Israel's security situation and its own perception of vulnerability. In light of the events that were occurring in Lebanon and Syria (particularly the Soviet rearming of Syria), this would have contributed to instability and had a negative impact

⁵²⁷Raviv and Melman, Friends in Deed, 270-73.

⁵²⁸Interview with Ambassador Samuel Lewis. See also Samuel W. Lewis, "Israel: The Peres Era and its Legacy," Foreign Affairs, 65:3, (America and the World, 1986), 588-89.

on U.S. regional interests. In terms of the financial stakes, he believed that if the United States chose not to intervene and Israel remained on the same financial course a total economic collapse was unavoidable. If this were to occur Israel would have no other option but to approach the U.S. for assistance. Therefore, if an economic collapse could be averted by serious reforms supported by one large aid supplement then the U.S. might be able to avoid a larger financial commitment later.⁵²⁹ The plan which was implemented by Israel, with essential American technical and financial assistance, proved to be the proper remedy. Inflation was reduced to about twenty percent by the end of 1986, foreign reserves were stable, and government expenditures were reduced particularly in the area of subsidies. However, threats to long-term economic stability remained on the horizon as a result of deficits in the balance of payments and balance of trade.

Economic assistance remained constant during the Bush administration at \$1.2 billion annually.⁵³⁰ On January 22, 1991, only days after the first Scuds hit Israel, Finance Minister Modai submitted a request to the State Department for \$3 billion to cover war-related expenses. The Israeli estimate included \$1 billion in lost tourist revenue, \$1 billion in lost economic activity, \$400 million in military expenditures, \$30 million in damages from Iraqi missile attacks, \$180 million in insurance payments, \$100 million in transport service losses, and \$250 million in lost exports.⁵³¹ In March 1991 the Bush

⁵²⁹Shultz, Turmoil and Triumph, 442-43.

⁵³⁰This excludes the \$400 million housing loan guarantee in 1990, and \$225.5 million in grants from 1989-92 for the Jewish Refugee Resettlement Program, the American Hospitals and Schools Program, and other cooperative assistance programs.

⁵³¹Congressional Research Service, Israel: U.S. Foreign Assistance, Issue Brief IB85066, 3 March

administration officially requested \$650 million in emergency supplemental Economic Support Funds (ESF) assistance as compensation for losses inflicted by Iraqi Scud attacks and other expenses related to the Persian Gulf War.⁵³² The following day the House of Representatives passed a resolution authorizing the appropriation, and the Senate a week later passed the resolution. However, it became implicitly clear to all parties that the Bush administration felt that any debt it owed to Israel had been paid, and that no additional non-military supplementary grants would be forthcoming.

Bilateral Trade

Similar to other areas of the bilateral relationship, the trade relationship between the United States and Israel experienced a significant shift to Israel's advantage during this period (see Table 4-4). Similar to the military and economic spheres, the level of interpenetration increased in the commercial sphere as well. From 1977 to 1992 the total of bilateral trade increased from \$1.5 billion to \$7.2 billion annually; and Israeli exports to the U.S. increased from \$564 million to \$4 billion annually. In relative terms the percentage of Israeli exports destined for the U.S. increased from 18% to 30% of total exports annually. The value of imports from the U.S. also increased but not at the rate of exports, and U.S. imports as a percentage Israel's total imports remained relatively constant at about 16% annually.⁵³³ In 1985 Israel experienced its first surplus in its trade

1995, 10.

⁵³²Peretz, "Israel Since the Persian Gulf War," 17.

⁵³³See "The U.S.-Israel Free Trade Agreement," Business America (Washington: U.S. Department of
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balance with the United States.

The changes in the balance of trade were a direct result of the United States-Israel Free Trade Area (FTA) agreement of 1985. This represented the first bilateral trade agreement whereby the United States and a trading partner agreed to eliminate all customs duties and most non-tariff trade barriers without product exclusions.⁵³⁴ The primary objective of the agreement was to enhance the free flow of trade between the two states. It was also believed that Israeli industries would become more efficient as a result of increased domestic competition, and consequently more competitive in international markets. Clearly, Israel stood to benefit more from unhindered access to the large and lucrative American market than the converse.

As anticipated, unrestricted access to American markets helped to improve Israel's overall balance of trade.⁵³⁵ In this context the FTA could be considered a new form of bilateral assistance. Due to Israel's relatively limited export capacity, there was little concern that the FTA would cause noticeable, harmful effects in the American economy. Additionally, the FTA also provided advantages for the United States in terms of securing its share of the Israeli import market, which could have been threatened by the free trade agreement Israel signed with the European Community.

Commerce, 31 August 1987), 1-9.

⁵³⁴See Joseph Pelzman, "The Effect of the U.S.-Israel Free Trade Area Agreement on Israeli Trade and Employment," in Bernard Reich and Gershon R. Kieval, eds., Israel Faces the Future (New York: Praeger, 1986), 140.

⁵³⁵Despite the FTA Israel continued to consume huge quantities of imported goods. While there was a general improvement in Israel's trade balance following the FTA, this proved to be ephemeral.

The Lavi

As was previously discussed, the United States became Israel's primary external supplier of sophisticated military equipment after 1967. Combat aircraft was the most critical sector of Israel's foreign military acquisitions program. Dating back to Israel's pursuit of Mirages, A-4 Skyhawks and F-4 Phantoms in the 1960s, Israel consistently sought the most sophisticated combat aircraft in the French and, later, American arsenals. Following the 1973 war Israel expanded its domestic production and stockpiling of military equipment and ammunition in order to reduce its reliance on foreign sources. In political terms Israel also sought to reduce its vulnerability to pressure and influence associated with external dependence for military resupply, especially in times of crisis. In the Arab-Israel military theater of operations, combat aircraft and tanks represent the most critical components of military capabilities.⁵³⁶ The indigenous development and production of the Merkava (Chariot) main battle tank and the Kfir (Lion cub) aircraft are examples of domestic production of major weapons systems for use by the IDF.⁵³⁷ Israel also used its military industries to generate export revenue to offset its production costs and balance of payments deficits. However, the export of major weapons systems (particularly the Kfir) faced political and legal obstacles. Perhaps the most important of these is the Arms Export Control Act, which regulates and limits transfers of critical

⁵³⁶See Anthony H. Cordesman, The Arab-Israeli Military Balance and the Art of Operations (Washington, DC: American Enterprise Institute, 1987).

⁵³⁷In 1975 the United States helped finance the production of the Merkava. Israeli defense officials attempted to portray this as the precedent for U.S. financing of Israeli research and development. However, the total U.S. expenditure for the Merkava amounted to \$104 million, a sum that paled in comparison to the resources necessary for the Lavi. See Raviv and Melman, Friends in Deed, 264-65.

materials and advanced technology to third parties. Because many of Israel's weapons systems contained American parts and technology (such as the engine in the Kfir), the U.S. retained the right to veto a proposed sale under the terms of the Arms Export Control Act.

In February 1982 as part of its effort to achieve greater military independence and enhance the country's high technology industries, the Begin government decided to proceed with the domestic development of a new generation of combat aircraft, the Lavi (Lion).⁵³⁸ Originally conceived by Israeli designers in the 1970s as a low cost, low technology, ground support aircraft (its primary but not exclusive role) to replace aging A-4s and Kfirs, the Lavi project gradually evolved into a state-of-the-art multipurpose fighter with performance capabilities similar to the U.S. F-16.⁵³⁹ The Israel Air Force projected a requirement for 300 Lavis, and then production would continue for export markets.

American financial support was critical to the Lavi's development and production, and discussions with U.S. defense officials to assess costs and feasibility began in 1979.⁵⁴⁰ The following year Israel reached an agreement in principle with the Department of

⁵³⁸For a discussion of the design features, operational profile, and other technical data see "The Lavi Fighter," Aviation Week and Space Technology, 1 June 1987, 50-74; and The Jerusalem Post, 27 February 1987.

⁵³⁹Duncan L. Clarke and Alan S. Cohen, "The United States, Israel, and the Lavi Fighter," Middle East Journal, 40:1, (Winter 1986), 17.

⁵⁴⁰For an authoritative account of the Lavi episode from the American perspective see, Dov S. Zakheim, Flight of the Lavi: Inside a U.S.-Israeli Crisis (Washington: Brassey's), 1996). Zakheim was the Defense Department official who directed the cost and alternatives study that ultimately contributed to the Lavi's cancellation.

Defense to co-produce the aircraft's engine, thereby allowing Israel to use Foreign Military Sales (FMS) credits to procure components and materials in the United States. In 1982 Israel requested that \$181 million of FMS credits be earmarked for Lavi expenditures in Israel.⁵⁴¹ The United States assured Israel of financial and technical support, and in 1983 the project officially became a joint endeavor when Congress authorized \$250 million out of Israel's \$1.8 billion in FMS credits (\$69 million more than Israel requested) to be spent in Israel on the Lavi during 1983.⁵⁴² The plan called for research and development to occur in stages both in the United States and Israel leading to the co-production of the aircraft in Israel.

Proponents and opponents of the Lavi project cited various strategic and political arguments to support their respective positions.⁵⁴³ Proponents argued, among other things, that the project was a positive manifestation of strategic cooperation between close allies and would serve both American and Israeli interests by enhancing Israeli self-reliance. Israel stood to benefit from substantial growth in its aerospace industry, as 18,000 jobs would be supported by the projected expenditure of \$9 billion for full-scale production.⁵⁴⁴ Additionally, the project would enhance Israel's technological industries and provide a stimulus for an ailing economy. American defense giants Grumman and

⁵⁴¹General Accounting Office. Report by the Comptroller General of the United States, US Assistance to the State of Israel, Report 83-51, 24 June 1983, 55-57.

⁵⁴²The Washington Post, 6 August 1986.

⁵⁴³For a review of these arguments see the article by Duncan L. Clarke and Alan S. Cohen, "The United States, Israel and the Lavi Fighter," 18-32.

⁵⁴⁴William Mark Kehrer, U.S. Funding for the Lavi Project: An Examination and Analysis," Middle

Pratt and Whitney (in consultation with Israel Aircraft Industries) predicted \$1.5 billion in spending in the U.S. and 37,000 associated jobs.⁵⁴⁵

Opponents of the Lavi included many senior officials of the U.S. Department of Defense, American defense contractors (especially General Dynamics), and even within the Israeli military establishment.⁵⁴⁶ They argued that Israel's aircraft requirements were best satisfied by continued purchases of F-16s and F-15s, and that on a dollar-for-dollar basis the F-16 was more cost effective than the Lavi. One of the most persuasive arguments against funding the Lavi from the American perspective was that in essence American taxpayers would be subsidizing the research, development, and production of a foreign aircraft that would eventually compete with American aircraft in the export market.

By 1983 the original estimate for research and development had doubled to \$1.5 billion, and the estimated unit cost had increased by fifty percent. The General Accounting Office estimated the cost per Lavi at \$15.5 million, compared with \$12 million for an F-16A (in FY 1982 dollars).⁵⁴⁷ By 1985 research, development and production cost estimates for the entire program rose from \$6.5 billion (in 1983) to over

East Insight 3, (November/December 1984), 16-17.

⁵⁴⁵Ibid.

⁵⁴⁶The most notable of these was Ezer Weizman, former commander of the air force and Menachem Begin's first Minister of Defense. Although initially he was one of the project's main proponents in 1980, he changed his position in favor of the continued purchase of F-16s and F-15s after repeated substantial increases in cost estimates. For a critical review of the impact of the Lavi program see Naftali Blumenthal, "The Influence of Defense Industry Investment on Israel's Economy," in Zvi Lanir, ed., Israeli Security Planning in the 1980s (New York: Praeger, 1984).

⁵⁴⁷General Accounting Office, U.S. Assistance to the State of Israel, Study 83-51, 24 June 1983, 55.

\$9 billion, and actual research and development expenditures had surpassed \$2 billion. The cost per aircraft now surpassed \$20 million if the U.S. and Israel proceeded with production (beyond two prototypes). In addition to the financial arguments, in terms of flight characteristics the F-16 outperformed the Lavi in terms of both speed and maneuverability.⁵⁴⁸ The Lavi's opponents argued that if the Lavi was going to satisfy Israel's long-term security requirements it would have to compete favorably with the best combat aircraft in the western and Soviet arsenals.⁵⁴⁹ Additionally, sustaining the inevitable costs associated with continued research, development and enhancements was clearly beyond Israel's economic capabilities. The issue of sharing state-of-the-art avionics and production technology with a foreign country was also viewed by the Defense Department as detrimental to American national security interests.⁵⁵⁰ Finally, the Lavi's opponents cleverly used the recently signed U.S.-Israel Memorandum of Understanding on Strategic Cooperation to support their position.⁵⁵¹ The memorandum called for an increase in joint training and military exercises. The advantages gained by aircraft compatibility in terms of operational utility and the interchangeability of pilots

⁵⁴⁸Duncan L. Clarke and Alan S. Cohen, "The United States, Israel and the Lavi Fighter," 28.

⁵⁴⁹For example, by 1987 the Soviets had provided the Syrians with MiG-29s, Jordan was buying Tornados from Britain, and the Saudis already had Tornados, F-15s and F-16s. See The Washington Post, 25 October 1988, and 25 March 1989.

⁵⁵⁰The issue was the joint production of the Lavi's wing assembly that was manufactured from highly advanced composite materials. The Defense Department was not opposed to selling the wings as a finished product, but opposed joint production since this practice was not even extended to America's NATO allies including Great Britain.

⁵⁵¹The irony here is that many senior Defense Department officials, beginning first and foremost with Defense Secretary Casper Weinberger, strongly opposed the MOU with Israel. Interview with Ambassador Samuel Lewis, 17 May 1995, Washington, DC.

and spare parts provided a persuasive argument. As the argument went, if the Israel Air Force consisted largely of F-15s and F-16s there would be greater compatibility with the U.S. Air Force, and there would be adequate spare parts, trained mechanics, and support facilities should the U.S. and Israel ever have to combine their air forces to meet a military threat in the Middle East.⁵⁵²

The Lavi as a potential export competitor to the F-16 was the central issue from the perspective of the American defense industry. The plane's opponents argued that in order for the Lavi to be financially feasible two factors were necessary: huge American subsidies, and an export market. Once Israel had satisfied its need for 300 aircraft production would be shifted to the international market. This was the established pattern of Israel's defense exports, which constituted at least half of Israel's total defense production.⁵⁵³ In response to the argument that the U.S. would retain export controls by virtue of the Arms Export Control Act, the Lavi's opponents cited a number of instances in which Israel either circumvented or ignored export restrictions. These included sales of weapons systems to Argentina, Chile, Iran, and South Africa. For example, in the case of the AIM-9L Sidewinder air-to-air missile Israel made some minor modifications and then sold it as an Israeli product claiming that it was no longer a U.S. system.⁵⁵⁴

⁵⁵²The implication clearly referred to the Soviets against whom the MOU was directed. Clark and Cohen, "The United States, Israel and the Lavi Fighter," 29.

⁵⁵³Aaron S. Klieman, Israel's Global Reach: Arms Sales as Diplomacy (New York: Pergamon Press, 1985), 59-65. See also Yoram Peri and Amnon Neubach, The Military-Industrial Complex in Israel (Tel Aviv: International Center for Peace in the Middle East, 1985).

⁵⁵⁴Clark and Cohen, "The United States, Israel and the Lavi Fighter," 22; Klieman, Israel's Global Reach, 211-12; and SIPRI Yearbook, 1980 (Stockholm: Stockholm International Peace Research Institute, 1980), 86.

The issue of American subsidies for a foreign aircraft that would compete with American companies for export markets was especially sensitive. During the Carter administration the defense industry was encouraged to develop a low cost fighter primarily for export. The aircraft was given the designation F-20 (some used F-X), and was intended to serve as the second generation to Northrop's F-5 which was a highly successful export aircraft. Defense contractors were expected to use their own funds for research and development with the expectation that the government would widely market this aircraft to its non-NATO allies (e.g., Taiwan, South Korea, Egypt, and the Philippines) and these costs would be recouped through sales. Northrop invested over \$700 million in the F-20 only to discover during the early years of the Reagan administration that there were no customers. Potential buyers were disinterested in purchasing an aircraft unproven in combat and which was not a part of the U.S. Air Force's own inventory. Furthermore, the decision by the Reagan administration to sell F-16s to Egypt and South Korea instead of F-20s sealed the plane's fate. With the U.S. poised to subsidize research, development and production of a foreign aircraft that could compete with U.S. aircraft, it was predictable that Northrop and General Dynamics would actively oppose the Lavi.⁵⁵⁵

Research and development continued through 1986, and the maiden flight of the Lavi took place in December. However, due to the dramatic increases in projected costs both the United States and Israel began to reassess the program.⁵⁵⁶ A consensus of

⁵⁵⁵"Air Force Sets Controversial Jet Purchase," The Washington Post, 10 May 1985.

⁵⁵⁶For a discussion by Israeli officials of the decisions which led to the cost overruns see David A.

opinion was developing both in Washington and Jerusalem that the program placed too heavy a burden on Israel, particularly in light of the economic austerity measures that were being introduced with the assistance of Secretary of State Shultz and a team of American economic advisers.⁵⁵⁷ The Ministry of Finance concluded that Israel could not afford the project and recommended its termination. This decision was reached despite the fact that the Lavi had become a popular and job-producing project, which made it politically difficult to terminate. Meanwhile, Pentagon officials continued to insist that there were better alternatives available to Israel. Opposition to the Lavi gradually developed within the IDF General Staff, especially when other defense programs were competing for scarce resources.⁵⁵⁸ Elements within the National Unity Government (especially the Labor party) were concerned that American financial and military assistance would be negatively affected since much of the multi-billion dollar project was being financed by the United States.

The United States began to exert pressure on Israel to cancel the project. A vast majority of American officials now supported the position that Israel's defense needs would be better served by a mix of F-15s and F-16s, that Israel's cost estimates were inaccurately low, and that the project could no longer rely on receiving funds from the

Brown, "Israelis Review Decisions that led to Lavi Cancellation," Aviation Week and Space Technology, 14 September 1987, 22-23.

⁵⁵⁷See "Israel Urged to Buy Carefully," Jane's Defence Weekly, 19 April 1986, 694. Dov Zakheim made it clear that the U.S. was not interested in purchasing the Lavi, and that military assistance levels would not increase to cover Lavi production costs.

⁵⁵⁸A Defense Department estimate concluded that if continued the Lavi project would absorb sixty percent of U.S. military assistance. Raviv and Melman, Friends in Deed, 267.

U.S.⁵⁵⁹ George Shultz had been the strongest proponent of the project within the Reagan administration. He expressed reservations and concluded that his earlier support for the project was a mistake and that it ultimately, "wasted U.S. security assistance funds."⁵⁶⁰ At the end of August 1987 the Israeli cabinet decided, by a vote of 12 to 11 with one abstention, to terminate the project. The split was largely along party lines, with Labor in support of termination and Likud opposed.⁵⁶¹ Yitzhak Modai, the Minister of Finance from Likud, cast the critical abstention. Although many in the government accepted the logic of the decision and were glad to have avoided a confrontation with the United States, there was a significant amount of disappointment and anger in Israel (particularly at Israel Aircraft Industries which organized a demonstration at the American embassy). Moshe Arens, who had a personal and professional association with the project, resigned from the government in protest.⁵⁶²

After the decision was made Israelis awaited the compensation that the United States had implied would be forthcoming if Israel agreed to terminate the project.⁵⁶³ Israel

⁵⁵⁹For a review of the debate in Israel see "Israeli Aerospace Industry Faces Critical Decisions," Aviation Week and Space Technology, 8 March 1987; Donald Fink, "Israel at the Crossroads," Aviation Week and Space Technology, 8 June 1987, 11; and Donald Fink, "Israel Renews Debate on Lavi Development," Aviation Week and Space Technology, 1 June 1987, 18.

⁵⁶⁰Shultz, Turmoil and Triumph, 443.

⁵⁶¹Yossi Melman, "Lavi Project Divides Israeli Cabinet," Jane's Defense Weekly 3, (February 1985), 177.

⁵⁶²See Moshe Arens, "The Wreck of the Lavi," The Jerusalem Post (international edition), 10 October 1987; and Reich and Helman, "The United States-Israel Strategic Relationships During the Reagan Administrations," 14.

⁵⁶³See "Israel Wins U.S. Financial Concessions to Cover Possible Cancellation of Lavi," Aviation Week and Space Technology, 13 July 1987, 25; and "Israel Presses U.S. to Ease Cost of Lavi Cutoff,"

turned to the U.S. to help ease the negative economic and employment consequences of the project's termination, and the Reagan administration suggested it would examine appropriate measures in that direction.⁵⁶⁴ The compensation took the form of a Memorandum of Understanding signed on December 14, 1987, in which Israel was accorded the status of a "major non-NATO ally".⁵⁶⁵ Under the terms of the agreement Israel's defense industry could compete for Defense Department contracts under the same terms as defense contractors in NATO member states. This helped to offset some of the financial losses incurred by the cancellation of the Lavi project.

Summary

The increased scope, context, and mechanisms established for managing the relationship during this period illustrates that the patron-client relationship was more than a product of superpower competition. By the end of the period the Cold War no longer existed as a factor in international politics, yet the U.S.-Israel patron-client relationship continued to be a central component of both states' foreign and defense policies (at least in regional terms for the U.S.).

The New York Times, 29 September 1987.

⁵⁶⁴For an argument for and against U.S. assistance to Israel, and suggestions as to what kind of assistance would be most beneficial see Dov Zakheim, "Bailing out Israel," The New York Times, 6 October 1987. Zakheim served as the Deputy Undersecretary of Defense from 1985-87, and was the most prominent Defense Department official (other than Casper Weinberger who had opposed the project from the beginning) to support the termination of the project.

⁵⁶⁵See "Memorandum of Understanding Between the Government of Israel and the Government of the United States of America Concerning the Principles Governing Mutual Cooperation in Research and Development, Scientist and Engineer Exchange, Procurement and Logistic Support of Defense Equipment," 14 December 1987.

It is difficult to envision more contradictory philosophical approaches to U.S. policy in the Middle East than existed during the Carter and Reagan administrations. The Carter administration's emphasis on human rights, the President's religious orientation, and his belief that peace was achievable between Arabs and Israelis were central themes in his approach to the bilateral relationship. Carter believed the peace process presented an opportunity for U.S.-Soviet cooperation rather than competition. Consequently, the U.S.-Israel relationship had stronger foundations in the President's personal orientation than as a function of Cold War rivalry.

In stark contrast to Carter's approach, the Reagan administration viewed American foreign and defense policy through the prism of global containment of the Soviet Union. This approach produced a policy known as "strategic consensus" that was based on the premise that Middle Eastern states shared the U.S. perspective that the greatest threat to regional security was the Soviet Union. This grand strategy gradually gave way to more practical considerations and tailored responses to specific events, although some Israeli leaders (particularly Begin and Sharon) attempted to leverage the Reagan administration's Cold War orientation in terms of redefining Israel's role and potential value vis-à-vis the Soviet threat.

The Cold War became a less relevant factor in the final years of this period as the Soviet Union began to disintegrate. The Soviets were preoccupied with managing political change in Russia and among the former Soviet republics, and their position and influence in the Middle East became a secondary concern. Despite the dramatic change in the international and regional political systems that resulted from the collapse of the

Soviet Union, the style and substance of the U.S.-Israel patron-client relationship remained essentially unchanged.

There were few instances of coercive influence during this period. While some degree of coercive influence might have been present in particular cases, only inducement strategies were successful. Consequently, the pattern of interaction with regard to the successful use of influence supports the incentives model. There were several instances in which U.S. and Israeli policy preferences and actions were at odds. However, it is important to distinguish policy differences that can be expected to occur from time to time in all complex relationships from coercion attempts in which one or both parties attempt to influence the other through the threat or use of sanctions. While there were several significant policy differences during this period, the successful use of coercive influence similar to the influence applied by the U.S. toward Israel during the previous two periods of this study was not apparent.

President Carter deliberately avoided the use of coercive influence out of recognition that such an approach would likely serve to heighten Israeli insecurity and resistance to U.S. influence. Instead, he successfully used a wide range of political, military and economic incentives to achieve Israeli agreement in a painstaking process that culminated in the Egypt-Israel Peace Treaty. The treaty represented the most significant foreign policy achievement during his administration.

Despite difficulties at the outset of the Reagan administration, the patron-client relationship went on to experience a dramatic expansion in all areas. Incidents of coercive influence were rare even though the relationship got off to a rocky start. The

U.S. temporarily suspended military cooperation agreements and deliveries of military aircraft to Israel in 1981 and 1983 following Israel's bombing of a nuclear reactor in Iraq, its annexation of the Golan Heights, and its invasion and subsequent occupation of Lebanon. However, these actions represented more an expression of American displeasure with Israeli actions than coercive leverage used in an attempt to influence specific Israeli behavior. There were no significant demands made by the U.S. associated with these suspensions, and there were no lasting impacts as a result of these episodes.

Difficult personal relationships between several of the principal actors (Reagan, Weinberger, Begin, Sharon) contributed to the negative atmosphere that surrounded the relationship from 1981-83 and again from 1989-92 (Bush, Baker, Shamir). These episodes illustrated the relevance of personalities and other domestic variables on patron-client relations. However, the bilateral relationship experienced a significant improvement following a change of political leadership in Jerusalem in 1983 and 1992.

Similar to the previous two periods of this study, the U.S. continued to exercise greater influence in the patron-client relationship. There were several important examples of the successful use of American influence in which incentives were used as influence tools. Successful influence attempts included the Camp David process and subsequent Egypt-Israel Peace Treaty (1977-79), the economic austerity and reform plan (1985-86), the cancellation of the Lavi program (1986-87), the Madrid Conference and bilateral negotiations (1991-92), and the \$10 billion in loan guarantees (1991-92).

The 1991-92 loan guarantee debate represented an important episode in patron-client influence. In this episode the U.S. placed political conditions on the granting of

financial support beyond the normal annual assistance levels. This influence attempt does not qualify as coercion because the U.S. was not using a sanction or threat of a sanction to compel Israeli behavior. The U.S. agreed to provide the loan guarantees, but placed conditions on granting the extraordinary Israeli request. Additionally, these conditions were consistent with established U.S. policies that had been communicated to successive Israeli governments. Since the use of incentives is consistent with the assumptions and expectations of the incentives model, this episode should be viewed within the context of a strategy of inducements that successfully influenced Israeli policies.

The successful use of incentives during the Lavi episode also supports the incentives model. Despite the perceived importance of this program by many in Israel's political and military establishments, the U.S. successfully influenced Israel to cancel the project. The U.S. skillfully leveraged military and economic incentives to mitigate the impact of this decision for Israel.

In contrast to the successful use of U.S. influence, Israel's attempts to influence U.S. policies, particularly with regard to military transfers and the peace process, were less successful. Perhaps the most significant and overt attempt to influence the U.S. occurred with regard to the 1981 AWACS sale to Saudi Arabia. Arguably, no episode in the history of the bilateral relationship surpassed the effort Israel undertook to influence U.S. policy within the executive and legislative branches. Both the tone and rhetoric of the debate that took place in Washington and Jerusalem were exceptional. Despite its dramatic efforts, Israel's influence attempt failed and the sale proceeded as intended by the Reagan administration.

In 1978 Israel similarly attempted to block a sale of military aircraft to Saudi Arabia in what proved to be a preview of the AWACS episode. In its effort to block the sale, Israel employed its familiar strategy of exerting influence both in the executive branch and Congress. Israel's influence attempt in this episode was unsuccessful, just as it would prove to be three years later.

A third significant Israeli influence attempt occurred in 1998 when the U.S. expressed its readiness to open a dialogue with the PLO provided that organization met prescribed conditions. Israel conveyed its firm objection to the possibility of such a dialogue, and attempted to influence the Reagan administration to reverse its position. The Israeli influence attempt was not as dramatic as the AWACS episode seven years earlier (perhaps because Israeli leaders remembered the costs associated with that failed influence attempt), but Israeli leaders made their objections, policy preferences, and prior American assurances clearly known to their American counterparts. Nevertheless, the Israeli influence attempt failed and the U.S.-PLO dialogue was initiated.

A fourth example of failed client influence occurred in 1991 when Israel sought \$10 billion in loan guarantees for the absorption of Soviet immigrants. The U.S. expressed its willingness to provide the loan guarantees contingent upon a resumption of the peace process and an Israeli commitment to freeze new settlements in the occupied territories. Israel agreed to the former but not the latter condition, and initiated an influence campaign in the Congress to obtain the guarantees in defiance of the Bush administration. The influence attempt failed in a manner that brought back unpleasant memories of the AWACS failure a decade earlier.

Table 4-1

U.S. Military Assistance to Israel 1977-1992
(\$millions)

Year	Total	Loan	Grant	MILEX	Mil Asst %/MILEX	CGE	MILEX %/CGE
1977	1000.0	500.0	500.0	4861.0	20.6%	13417.0	36.2%
1978	1000.0	500.0	500.0	4213.0	23.7%	12666.0	33.3%
1979	4000.0	2700.0	1300.0	5435.0	73.6%	14878.0	36.5%
1980	1000.0	500.0	500.0	5665.0	17.7%	15386.0	36.8%
1981	1400.0	900.0	500.0	9725.0	14.4%	34020.0	28.6%
1982	1400.0	850.0	550.0	8939.0	15.7%	33520.0	26.7%
1983	1700.0	950.0	750.0	9890.0	17.2%	42410.0	23.3%
1984	1700.0	850.0	850.0	10830.0	15.7%	41430.0	26.1%
1985	1400.0	0.0	1400.0	9380.0	14.9%	34500.0	27.2%
1986	1722.6	0.0	1722.6	8404.0	20.5%	30050.0	28.0%
1987	1800.0	0.0	1800.0	7428.0	24.2%	30670.0	24.2%
1988	1800.0	0.0	1800.0	6928.0	26.0%	30070.0	23.0%
1989	1800.0	0.0	1800.0	6775.0	26.6%	27060.0	25.0%
1990	1792.3	0.0	1792.3	7218.0	24.8%	29130.0	24.8%
1991	1800.0	0.0	1800.0	6331.0	28.4%	24300.0	26.1%
1992	1800.0	0.0	1800.0	6302.0	28.6%	24110.0	26.1%
Total	27114.9	7750.0	19364.9	118324.0		437617.0	

CGE = Central Government Expenditures

MILEX = Military Expenditures

1977-80 = constant \$1981

1981-91 = constant \$1991

1992 = constant \$1995

Source: ACDA, World Military Expenditures and Arms Transfers, various years,
and JCSS, Middle East Military Balance, 1993-94

Chart 4-1

U.S. Military Assistance to Israel 1977-1992

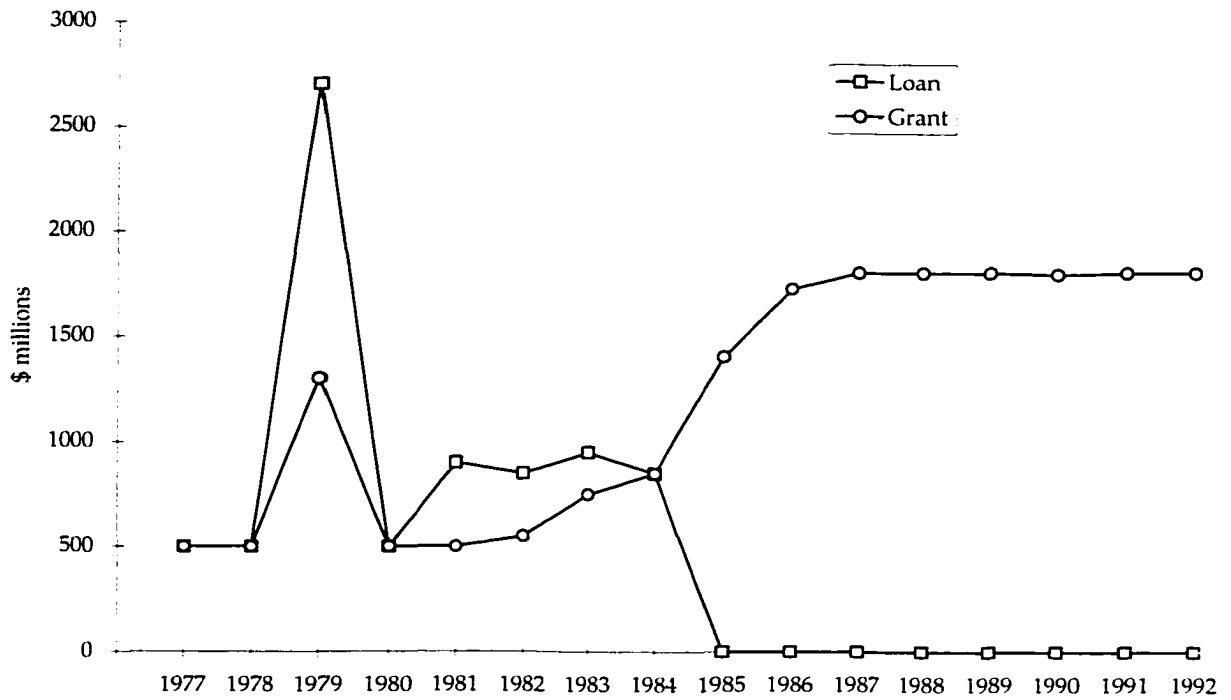


Table 4-2

U.S. Economic Assistance to Israel, 1977-1992
(\$millions)

Year	Total	<u>ESF</u>		<u>Other(1)</u>		<u>Total</u>		CGE	ECO ASST as % CGE
		Loans	Grants	Loans	Grants	Loans	Grants		
1977	762.5	245.0	490.0	7.9	19.6	252.9	509.6	13417.0	5.7%
1978	822.6	260.0	525.0	12.2	25.4	272.2	550.4	12666.0	6.5%
1979	888.0	260.0	525.0	73.8	29.2	333.8	554.2	14878.0	6.0%
1980	1121.0	260.0	525.0	306.9	29.1	566.9	554.1	15386.0	7.3%
1981	1008.4	0.0	764.0	217.4	27.0	217.4	791.0	34020.0	3.0%
1982	845.5	0.0	806.0	24.0	15.5	24.0	821.5	33520.0	2.5%
1983	800.6	0.0	785.0	0.0	15.6	0.0	800.6	42410.0	1.9%
1984	926.6	0.0	910.0	0.0	16.6	0.0	926.6	41430.0	2.2%
1985	1969.7	0.0	1950.0	0.0	19.7	0.0	1969.7	34500.0	5.7%
1986	1930.9	0.0	1898.4	15.0	17.5	15.0	1915.9	30050.0	6.4%
1987	1230.2	0.0	1200.0	0.0	30.2	0.0	1230.2	30670.0	4.0%
1988	1229.9	0.0	1200.0	0.0	29.9	0.0	1229.9	30070.0	4.1%
1989	1234.9	0.0	1200.0	0.0	34.9	0.0	1234.9	27060.0	4.6%
1990	1228.2	0.0	1194.8	0.0	33.4	0.0	1228.2	29130.0	4.2%
1991	1897.6	0.0	1850.0	0.0	47.6	0.0	1897.6	24300.0	7.8%
1992	1283.5	0.0	1200.0	0.0	83.5	0.0	1283.5	24110.0	5.3%
Total	19180.1	1025.0	17023.2	657.2	474.7	1682.2	17497.9	437617.0	

1 = See Table 4-3 for breakdown of this category

CGE = Central Government Expenditures

ESF = Economic Support Funds

Source: Congressional Research Service, *Israel: U.S. Foreign Assistance*, Issue Brief IB85066, 3 March 1995

Chart 4-2

U.S. Economic Assistance to Israel, 1977-1992

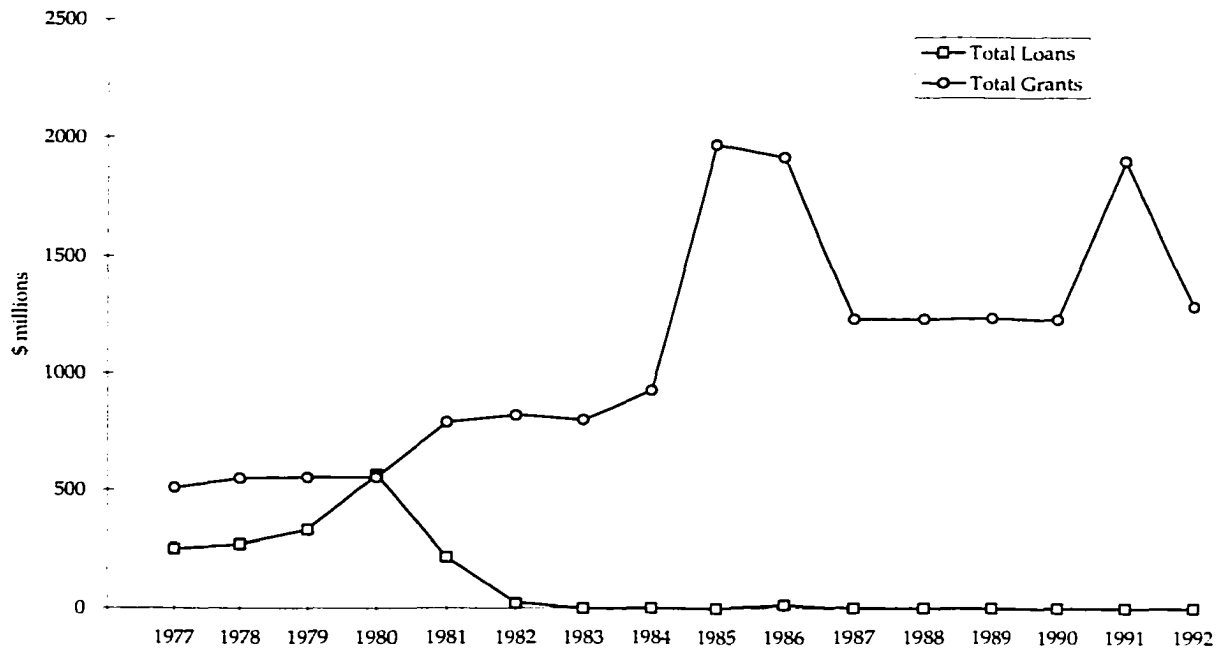


Table 4-3

Other Economic Assistance by Category, 1977-1992
(\$millions)

Year	Export- Import Loan	P.L. 480		JRR Grant	AS&H Grant	Housing Loan Guaranty	Special Grant
		Food for Peace Loan	Grant				
1977	0.9	7.0	0.0	15.0	4.6	25.0	0.0
1978	5.4	6.8	0.0	20.0	5.4	0.0	0.0
1979	68.7	5.1	0.0	25.0	4.2	25.0	0.0
1980	305.9	1.0	0.0	25.0	4.1	25.0	0.0
1981	217.4	0.0	0.0	25.0	2.0	0.0	0.0
1982	6.5	0.0	0.0	12.5	3.0	0.0	0.0
1983	0.0	0.0	0.0	12.5	3.1	0.0	17.5*
1984	0.0	0.0	0.0	12.5	4.1	0.0	0.0
1985	0.0	0.0	0.0	15.0	4.7	0.0	2.0
1986	15.0	0.0	0.0	12.0	5.5	0.0	5.0
1987	0.0	0.0	0.0	25.0	5.2	0.0	5.0
1988	0.0	0.0	0.0	25.0	4.9	0.0	5.0
1989	0.0	0.0	0.0	28.0	6.9	0.0	5.0
1990	0.0	0.0	0.0	29.9	3.5	400.0	7.5
1991	0.0	0.0	0.0	45.0	2.6	0.0	7.5
1992	0.0	0.0	0.0	80.0	3.5	0.0	7.5
Total	619.8	19.9	0.0	407.4	67.3	475.0	44.5

JRR = Jewish Refugee Resettlement Program

AS&H = American Schools and Hospitals Program

* = Special Loan for Cooperative Assistance

1985-92 Special Grants for Cooperative Assistance

Source: Congressional Research Service, Israel: U.S. Foreign Assistance, CRS Issue Brief IB85066, 3 March 1995.

Table 4-4

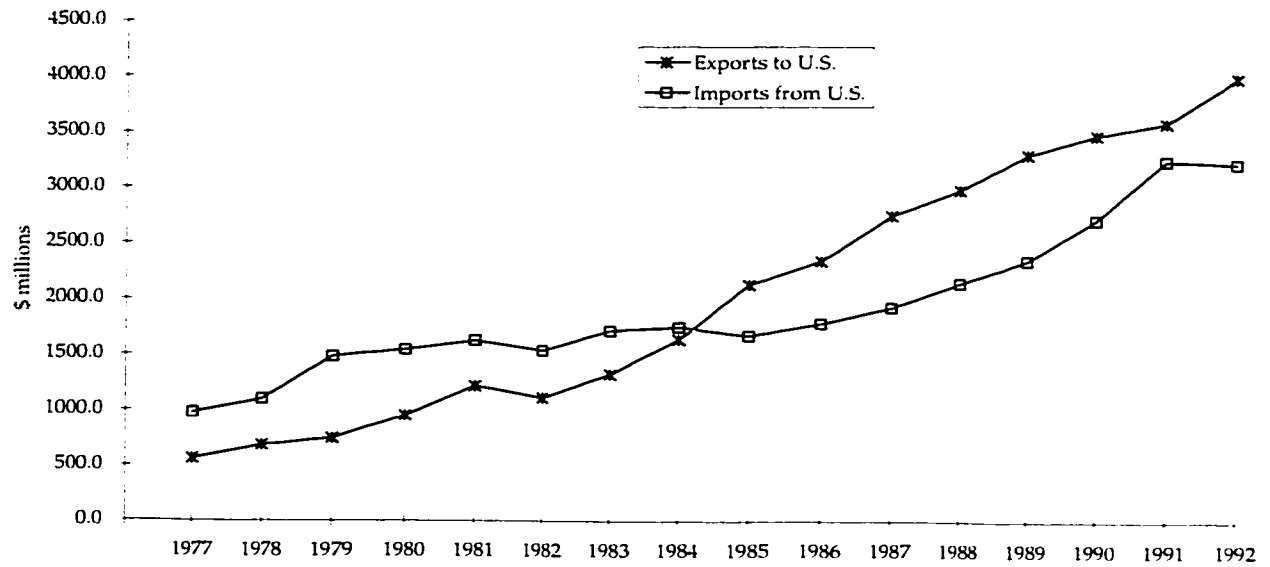
Israel's Balance of Trade and Trade with the U.S., 1977-1992
(\$millions)

Year	Total Exports	Total Imports	Balance	Exports to U.S.	Imports from U.S.	Balance	Exports to U.S. as % of total	Imports from U.S. as % of total
1977	3081.7	5780.5	-2698.8	564.6	980.8	-416.2	18.3%	17.0%
1978	3921.3	7508.7	-3587.4	686.4	1102.5	-416.1	17.5%	14.7%
1979	4546.4	8668.5	-4122.1	749.1	1486.8	-737.7	16.5%	17.2%
1980	5537.5	9714.6	-4177.1	953.9	1546.4	-592.5	17.2%	15.9%
1981	5670.1	10220.3	-4550.2	1220.8	1630.3	-409.5	21.5%	16.0%
1982	5254.2	9650.4	-4396.2	1117.7	1542.0	-424.3	21.3%	16.0%
1983	5064.0	9426.9	-4362.9	1329.2	1722.9	-393.7	26.2%	18.3%
1984	5809.1	9849.3	-4040.2	1644.6	1756.2	-111.6	28.3%	17.8%
1985	6288.4	10111.8	-3823.4	2138.0	1679.0	459.0	34.0%	16.6%
1986	7160.0	10813.4	-3653.4	2348.7	1788.6	560.1	32.8%	16.5%
1987	8454.4	14359.2	-5904.8	2758.9	1932.4	826.5	32.6%	13.5%
1988	9950.1	15020.5	-5070.4	2992.5	2153.2	839.3	30.1%	14.3%
1989	11093.6	14149.5	-3055.9	3313.1	2356.9	956.2	29.9%	16.7%
1990	12004.5	16507.7	-4503.2	3488.1	2722.8	765.3	29.1%	16.5%
1991	11734.1	18646.5	-6912.4	3602.4	3261.1	341.3	30.7%	17.5%
1992	13058.1	18957.0	-5898.9	4007.7	3234.4	773.3	30.7%	17.1%

Source: International Monetary Fund, Direction of Trade Yearbook, various years, 1970-93; Israel Central Bureau of Statistics, Annual Reports, various years, 1960-92; Bank of Israel, Annual Reports, various years, 1978-93.

Chart 4-3

U.S.-Israel Balance of Trade, 1977-1992



Chapter Five

The Persian Gulf War

This chapter examines the U.S.-Israel relationship and influence attempts prior to and during the Persian Gulf War (April 1990 to March 1991).⁵⁶⁶ Specifically, the chapter examines the use of influence between patron and client in an episode where vital national interests were threatened for both states, and both tried to influence the other's decision-making processes.

The chapter is divided into three periods. The first period is from February 1990 to August 2, 1990; the period preceding Iraq's invasion of Kuwait. The second period is from August 2, 1990, to January 16, 1991; the period of Operation Desert Shield during which U.S. and coalition forces assembled the troops and equipment necessary to expel Iraq from Kuwait if that proved necessary. The third period is from January 17, 1991 to February 27, 1991; from the onset of Operation Desert Storm until the conclusion of the ground war.

⁵⁶⁶For analyses of the Gulf War see Lawrence Freedman and Efraim Karsh, The Gulf Conflict, 1990-1991 (Princeton: Princeton University Press, 1993); Norman Friedman, Desert Victory (Annapolis: Naval Institute Press, 1991); Bob Woodward, The Commanders (New York: Simon and Schuster, 1991), 199-376; Michael R. Gordon and General Bernard E. Trainor, The Generals' War (Boston: Little Brown and Co., 1995).

Period I: Prelude to Desert Shield

An examination of Saddam Hussein's statements and behavior during this period provides some indication of his political and military intentions with regard to Kuwait and Israel, and provides context for subsequent Iraqi actions. While it is impossible to precisely determine the relative influence of the numerous variables that affected Saddam's decision-making, an examination of these variables conveys a picture of the decision-making environment that prevailed at that time. Several of Saddam's statements during this period provide insight into his political and military objectives and he camouflaged only the exact target of his aggression, which initially was Kuwait rather than Israel.⁵⁶⁷ Similar to the months that preceded his invasion of Iran in 1980, in the spring of 1990 Saddam's rhetoric was directed toward the Arab-Israeli theater while his military preparations were directed toward the Gulf.

Regional Developments

During the two years that followed the end of the Iran-Iraq War (1988-90), the trends of regional and international developments were generally unfavorable to Iraq's interests. The Soviet Union, Iraq's single largest military supplier during its war with Iran (at least 48%), informed Iraq that its longstanding military supply and assistance

⁵⁶⁷Ofra Bengio, Saddam Speaks on the Gulf Crisis: A Collection of Documents (Tel Aviv: Dayan Center for Middle Eastern Studies, 1992), 10.

relationship would be curtailed to assisting with "reasonable defense sufficiency."⁵⁶⁸

Although less dependent upon the Soviets than the Syrians (particularly in light of Hafez Assad's pursuit of "strategic parity" with Israel during the 1980s), Saddam recognized that the decline of the Soviet Union left the United States--Israel's patron--as the dominant and unchallenged superpower in the region. During this period of political transition, both in the Middle East as well as in the international system, Saddam pursued an aggressive foreign and defense policy that was aimed at creating a "new Arab order" that Iraq would lead. Iraq's rapid military buildup, its restored oil production and exports, and Saddam's claims of Iraq's historic and strategic role, were central components of Saddam's bid for regional dominance. For this course to succeed Saddam needed the acquiescence of the Arab Gulf states, Jordan, and Egypt; states that supported him during his eight year war with Iran.

Saddam apparently calculated that the Arab Gulf states and Jordan could be coerced. However, Egypt was reasserting itself within the Arab world at the time and was less susceptible to Saddam's strongarm tactics. In early 1990, Saddam's intentions became somewhat clearer when he publicly opposed the return of the Arab League to Cairo. Although Iraq eventually withdrew its opposition to the move, the episode provided an indication of a renewal of the rivalry between the three power centers in the Arab world: Baghdad, Cairo, and Damascus.⁵⁶⁹ It also indicated that intimidation of the

⁵⁶⁸Anthony H. Cordesman, "No End of a Lesson? Iraq and the Issue of Arms Transfer," Royal United Services Institution Journal, 136:1, (Spring 1991), 3.

⁵⁶⁹Peter Rodman, "Middle East Diplomacy," Foreign Affairs, 70:2, (Spring 1991), 2.

weaker Arab states, coupled with confrontation with the West and Israel, was Saddam's formula for gaining leadership of the Arab world.

A number of economic and political factors were working to Iraq's disadvantage. The absence of U.S.-Soviet competition in the Persian Gulf left the United States as the dominant external power in the Gulf. The perpetual American naval presence in the Gulf, and the commitment to preserving the free flow of oil, were elements of U.S. dominance. Iraq's oil production was second only to Saudi Arabia among OPEC states; however, a decline in oil prices reduced Iraq's revenue, which contributed to economic difficulties. Combined with the decline in revenues, Iraq's ambitious post-war reconstruction efforts, substantial military spending, and generous state subsidies resulted in a \$14 billion deficit in the first six months of 1990.⁵⁷⁰

In the regional strategic environment, the end of the Iran-Iraq War left Iraq battered but still the dominant Arab military power in the Gulf. The regime in Iran was preoccupied with consolidating its power and rebuilding its economy in the post-Khomeini era. Saudi Arabia, Kuwait, and the smaller Arab Gulf states observed Iraq's post-war military buildup with concern, and they viewed Iraq as potentially presenting a threat not significantly less than that posed by Iran. Additionally, Iraq's failure to gain control of the Shatt al-Arab waterway (one of the stated objectives of the war) left Iraq's historic quest to secure direct access to the Persian Gulf unrealized. In this context, Saddam's decision to invade and occupy Kuwait was part of a strategy that sought to

⁵⁷⁰This was the figure cited by Saddam Hussein. Middle East Contemporary Survey, XIV, (1990), 6.

remedy some of the failures of his war with Iran.⁵⁷¹

Iraq and the Arab Gulf states

In a speech to the Arab Cooperation Council on February 24, 1990, Saddam enumerated his list of complaints: the end of the Cold War was a disaster for the Arabs; Soviet Jewish immigrants were flooding to Israel; the Soviet Union ("the key champion of the Arabs in the context of the Arab-Israeli conflict") was no longer a reliable source for political and military support; and American hegemony was a profound threat to the Arab and Islamic world.⁵⁷² Saddam argued that oil was the weapon that provided the Arabs with the greatest political and economic leverage, and in May 1990 he called for an embargo against the United States. Continuing on the matter of oil, the Iraqi leader vented his rage at Kuwait and the United Arab Emirates, who he derided for their refusal to forgive Iraq's war debt, and who he accused of depriving Iraq of revenue by exceeding their OPEC production quota, which depressed prices. Saddam threatened to use force against Arab oil exporters if they continued to refuse to abide by their production quotas.⁵⁷³ Kuwait was also accused of stealing Iraqi oil by extracting \$2.4 billion worth beyond its share from the Rumaila oil field.⁵⁷⁴

⁵⁷¹For a discussion of Saddam's "grand strategy" see Bengio, Saddam Speaks on the Gulf Crisis, 12.

⁵⁷²Peter Rodman, "Middle East Diplomacy," 3.

⁵⁷³See The New York Times, 18 July 1990.

⁵⁷⁴For the text of the speech see Foreign Broadcast Information Service (FBIS), Daily Report, Middle East and Africa, 24 February 1990. See also Colin Powell, My American Journey (New York: Random House, 1995), 460.

The target of Saddam's plans became clearer in July when he accused Kuwait of pursuing an economic war against Iraq as part of an American conspiracy. In a speech on July 17 he claimed that the oil policies of several Gulf states amounted to a "poisoned dagger" which resulted in a \$1 billion annual loss of revenue. Iraq, he said, "had no choice but to resort to effective action to put things right."⁵⁷⁵ His list of demands included: \$2.4 billion in compensation from Kuwait for previous extraction from the Rumaila oil field; \$10 billion in aid; \$40 billion in debt forgiveness from Saudi Arabia and Kuwait for pursuing what Iraq perceived to be a "defensive" war with Iran; the resolution of outstanding border disputes; an increase in OPEC prices to \$25 per barrel; and access to the Gulf by Kuwait yielding the islands of Warba and Bubiyan to Iraq.⁵⁷⁶ Kuwait refused.⁵⁷⁷

A flurry of inter-Arab diplomatic activity occurred during the last week of July in an effort to resolve the crisis, and a meeting was arranged between Iraqi and Kuwaiti representatives in Jiddah, Saudi Arabia. Saddam assured President Mubarak and others that he did not plan to attack Kuwait; an assurance that was also communicated to the United States.⁵⁷⁸ On July 28 the National Security Council drafted a presidential message

⁵⁷⁵FBIS, Daily Report, 17 July 1990.

⁵⁷⁶See William B. Quandt, "The Middle East," Foreign Affairs, 70:1, (America and the World, 1990/91), 52.

⁵⁷⁷For a discussion of the historical relationship between Iraq and Kuwait see Husain al-Bahara, The Legal Status of the Arabian Gulf States (Manchester: Manchester University Press, 1968).

⁵⁷⁸FBIS, Daily Report, 26 July 1990. Interview with U.S. Ambassador to Saudi Arabia Chas Freeman, 15 July 1995, Washington, DC. Secretary of State Baker recalled that Mubarak's assurances had contributed to the gross underestimation of Saddam in the U.S. government. See James A. Baker, The Politics of Diplomacy: Revolution, War and Peace, 1989-1992 (New York: Putnam, 1995), 290.

to Saddam,

I was pleased to learn of the agreement between Iraq and Kuwait to begin negotiations in Jiddah to find a peaceful solution to the current tensions between you. The United States and Iraq both have a strong interest in preserving the peace and stability of the Middle East. For this reason, we believe these difficulties are best resolved by peaceful means and not by threats involving military force and conflict.⁵⁷⁹

The meeting in Jiddah was adjourned after two hours due to Kuwait's refusal to accede to Iraqi demands. On August 2 Iraq invaded Kuwait.

The Arab response to the Iraqi invasion varied from condemnation of Iraq to expressions of understanding and sympathy for Saddam's objectives. Two Arab camps emerged: a pro-Western camp (Egypt, Saudi Arabia, the Arab Gulf states, and Syria) that supported the United States and its demands for an Iraqi withdrawal, and a pro-Iraq camp (Libya, Jordan, Yemen, Sudan, and the PLO) that to a greater or lesser extent supported Iraq, or at least opposed western intervention and the imposition of a non-Arab solution. Notwithstanding this division of opinion within the Arab world, there was popular sympathy for Saddam's attempt to link his invasion of Kuwait to Israel's occupation of the territories captured in the June 1967 War. An Egyptian official cited the absence of progress in the Arab-Israeli peace process as a factor that contributed to this state of affairs. "When you do not achieve progress you have to expect a deterioration of the situation."

Iraq's effort to acquire and develop weapons of mass destruction was also linked

⁵⁷⁹Ibid., 272. Baker acknowledged that this message was probably not sufficiently firm, and may have been interpreted by Saddam as suggesting that the United States wasn't overly concerned.

to Israel. "You cannot convince a man like Saddam Hussein to disavow chemical weapons when Israel possesses nuclear weapons."⁵⁸⁰ Although Iraq's chemical weapons were not generally viewed as a credible deterrent against Israel's nuclear weapons (as Saddam had suggested in his April 2 threats), some perceived Iraq's chemical weapons as a rudimentary deterrent against an Israeli conventional attack. For example, unlike the circumstances that prevailed in June 1981 when Israel attacked and destroyed the Iraqi nuclear reactor, in 1990 Israel had to consider the prospect of Iraqi response--possibly in the form of a chemical attack delivered by missiles--prior to undertaking an assault. In 1981 Iraq did not possess a significant retaliatory capability, and its conventional forces were preoccupied in a war with Iran. Consequently, in 1990 Iraq's self-declared capability to deliver a weapon of mass destruction could be converted into political and military leverage. In the view of some Arab analysts this capability could potentially serve as a stabilizing factor in the Arab-Israeli strategic balance.⁵⁸¹ A senior Egyptian military official observed that during the 1980s Iraq and Saudi Arabia acquired ballistic missiles without triggering an Israeli military response. This altered the strategic balance and reduced the gap in capabilities between the Arab states and Israel. Some believed this shift contributed to greater regional stability; however, it also increased the dangers in the event of war.⁵⁸²

⁵⁸⁰Interview with Minister Elsayed Amin Shalaby, Ministry of Foreign Affairs, 13 August 1990, Cairo.

⁵⁸¹Interview with Dr. Abdel Monem Said, Director, al-Ahram Strategic Studies Center, 13 August 1990, Cairo.

⁵⁸²Interview with Major-General Talaat Ahmed Mosallam, 14 August 1990, Cairo.

A central element of the deterrence equation is the assumption of rational actors.

A number of analysts, both western and Arab, have argued that the U.S.-Soviet model of deterrence and rationality does not apply to the Middle East decision-making environment.⁵⁸³ An Egyptian official observed,

You cannot guarantee that mass destruction weapons will remain just a deterrent factor as it has in the East-West conflict. This adds a frightening dimension to the situation in the Middle East.⁵⁸⁴

Saddam's behavior during the Gulf crisis provided evidence to support this argument.

From August 1990 to January 1991 the size and strength of coalition forces continued to grow (with the declared intention of expelling Iraq from Kuwait), yet Saddam was unbending in his refusal to withdraw from Kuwait even after five weeks of a devastating air campaign. One month prior to the start of the air campaign, the Iraqi ambassador to the United States expressed his government's willingness to witness the destruction of Baghdad rather than comply with the demands of the United States and the other members of the international coalition.⁵⁸⁵

With the benefit of hindsight it appears that Saddam's aggressive rhetoric toward Israel and the West during the first six months of 1990 was part of a larger campaign to rally support for Iraq as the leader of the Arab world. While Saddam's April 2 declaration

⁵⁸³Rationality as traditionally defined in the context of U.S.-Soviet mutual deterrence in the context of the Cold War in which strategic nuclear weapons were generally perceived as primarily having a deterrent value. Interview with Prof. Ali el-Hillal Dessouki, 14 August 1990, Cairo.

⁵⁸⁴Interview with Minister Elsayed Amin Shalaby, 13 August 1990.

⁵⁸⁵Interview with Ambassador Mohammed al-Mashat, Iraq's ambassador to the United States, 7 December 1990, Washington. Ambassador al-Mashat chose not to return to Baghdad following the break in diplomatic relations between the United States and Iraq which occurred on 14 January 1991. See The New York Times, 15 January 1991.

that Iraq, "will make fire eat up half of Israel if it tries to do anything against Iraq," captured international attention, the threat primarily was for consumption by Arab and Islamic masses.⁵⁸⁶ Shortly after these remarks he spoke of a Jihad, and warned that a war with Israel was "inevitable" if Israel continued to deport Palestinians.⁵⁸⁷ In hindsight, it appears that Saddam attempted to use his bellicose rhetoric toward Israel as a tool for rallying support for his regime both at home and abroad; hardly an unfamiliar tactic in contemporary Arab politics.⁵⁸⁸ His claims concerning the liberation of Palestine motivated a beleaguered population at home and supported Iraq's campaign for regional dominance. This assessment of Iraqi behavior was shared in a number of Arab capitals and in Washington. In communications with the United States, Egypt and Saudi Arabia urged a moderate approach to Saddam. In Secretary of State Baker's view, "Outrageous rhetoric from Arab leaders wasn't exactly a rare occurrence, and at that point there was no compelling reason to believe that Saddam was engaging in anything more than verbal intimidation."⁵⁸⁹

Nevertheless, from March to July 1990 Saddam's aggressive rhetoric raised tensions in the region, especially following his comments concerning the use of chemical weapons against Israel. Saddam apparently was convinced that two incidents in March,

⁵⁸⁶FBIS, Daily Report, 3 April 1990; New York Times and Washington Post, 3 April 1990.

⁵⁸⁷FBIS, Daily Report, 17 and 20 April, 29 May, 2 July 1990.

⁵⁸⁸The American response was to characterize Saddam's statements as, "inflammatory, irresponsible, and outrageous." The State Department spokeswoman added, "In a region already volatile enough, nobody should be trumpeting chemical weapons." Statement by Margaret Tutwiler, State Department Daily Press Briefing, 2 April 1990.

the Bazoft and supergun affairs, were part of an elaborate Israeli conspiracy to sabotage his weapons program. He may have feared an Israeli attack similar to the one that resulted in the destruction of Iraq's nuclear reactor in June 1981.⁵⁹⁰ In early May he authorized his field commanders to use chemical weapons against Israel if communications with Baghdad were severed as a result of a military strike.⁵⁹¹ Therefore, in addition to the political value of his bellicose statements, Saddam's threats were possibly intended to deter an Israeli attack.

The View From Jerusalem

Israeli officials condemned Saddam's threatening statements and added that while Israel, "had no aggressive intention toward Iraq...Israel is not taking the Iraqi threat lightly."⁵⁹² A senior Foreign Ministry official stated that based upon a "substantial amount of intelligence" and Iraqi behavior during the Iran-Iraq War, Israel viewed Saddam's threats as being consistent with Iraqi capabilities and intentions. The official added that Israel had learned three lessons during the previous decade with regard to Iraq: Saddam had no moral restraints concerning the use of chemical weapons; international

⁵⁸⁹Baker, The Politics of Diplomacy, 270.

⁵⁹⁰On 15 March Iraq executed Farzad Bazoft, a British journalist of Iranian origin, for allegedly spying for Israel. One week later unknown assailants murdered Gerald Bull, who was involved in Iraq's arms program. For a discussion of the Bazoft and Bull affairs see Middle East Contemporary Survey, XIV, (1990), 389-91.

⁵⁹¹Efraim Karsh and Inari Rautsi, Saddam Hussein: A Political Biography (London: Brassey's, 1991), 207-11, 269-70.

⁵⁹²The New York Times, 3 April 1990.

reaction was weak and slow following Iraq's use of chemical weapons during its war with Iran; and the Nuclear Nonproliferation Treaty (NPT) was not an effective restraint on the development of nuclear weapons.⁵⁹³

By the spring of 1990 Israel viewed Iraq's weapons programs with great concern, and these concerns were expressed to American officials. According to Defense Minister Moshe Arens, Israel learned that Iraq had made significant progress in its indigenous development and modification of ballistic missiles, and that a number of fixed missile launchers had been constructed in western Iraq.⁵⁹⁴ On July 18 Arens, Prime Minister Yitzhak Shamir, and Foreign Minister David Levy received a briefing from Israeli intelligence on the status on Iraq's nuclear program. They were informed that Iraq was on the verge of a breakthrough in its nuclear efforts and would be in a position to manufacture weapons grade uranium in the near future. Arens passed this information to Secretary of Defense Richard Cheney, and a meeting was scheduled in Washington for two days later.⁵⁹⁵ Arens recalled that during the meeting, "They [U.S. officials] did not seem to be alarmed by Saddam Hussein's growing military capability or his bellicose pronouncements."⁵⁹⁶ Arens later learned that the reserved response was attributable to the

⁵⁹³Interview with Foreign Ministry official, 2 August 1990. Jerusalem. The official requested anonymity.

⁵⁹⁴Moshe Arens, Broken Covenant: American Foreign Policy and the Crisis Between the U.S. and Israel (New York: Simon and Schuster, 1995), 147-48.

⁵⁹⁵*Ibid.*, 149.

⁵⁹⁶*Ibid.*, 135.

fact that the information they were passing on to the Americans was not unknown.⁵⁹⁷ The United States had been paying close attention to developments in Iraq since the end of the Iran-Iraq War, particularly in light of Iraq's military buildup and its acquisition and development of nuclear, chemical, and biological weapons and ballistic missiles. However, accurate and reliable intelligence on the scope and operational readiness of these weapons systems was limited.⁵⁹⁸ As a result of UN inspections and the defection of General Hussein Kamel Hassan (the former chief of Iraq's secret weapons program) in the summer of 1995, it was learned that previously undisclosed Iraqi preparations for the Persian Gulf War included: the production of ten times more anthrax than Iraq had previously declared; a crash program to develop a single nuclear warhead; aircraft bombs loaded with botulinum toxin, anthrax bacteria, and aflatoxin; missile warheads and artillery shells loaded with biological agents; and a program to deploy unmanned aerial vehicles (UAVs) capable of delivering biological and chemical agents.⁵⁹⁹

Despite their concerns Israeli leaders found themselves marginalized shortly after Iraq's invasion of Kuwait. On August 3 Moshe Arens contacted Cheney and offered to discuss Israeli assistance. Cheney was reticent, and left Arens with the impression that he (Cheney) was afraid of being trapped into collusion with Israel.⁶⁰⁰ Shamir sent a letter to

⁵⁹⁷Ibid., 150.

⁵⁹⁸U.S. House of Representatives, "Intelligence Successes and Failures in Operations Desert Shield/Storm," Committee on Armed Services, August 1993, 35.

⁵⁹⁹U.S. Air Force, Air Force Counterproliferation Review, September 1995, 2.

⁶⁰⁰Arens, Broken Covenant, 150.

President Bush repeating Arens' offer and added,

In the spirit of our alliance and friendship with the United States, we are ready for continued close consultations, at all appropriate levels, and to coordinate and cooperate with you as necessary.

The American response was to distance itself from Israel, and Shamir observed that notwithstanding Israel's offers of assistance, "in those first weeks after the invasion there was no contact between us."⁶⁰¹

A range of opinions existed in Israel concerning the appropriate response to the possibility of an Iraqi attack using conventional weapons or weapons of mass destruction (WMD). Right-wing members of government including Ariel Sharon, Yuval Ne'eman, and Rafael Eitan advocated a preemptive strike, while others including Shamir and Arens were inclined to exercise restraint at this early stage of the crisis. Government officials sought to deter an Iraqi strike by threatening Saddam with massive retaliation. Recalling the Iraqi assertion that chemical weapons deterred Israel's nuclear weapons, one analyst suggested the outcome might be quite different, "Chemical weapons are likely to spur a terrible reaction rather than to neutralize it."⁶⁰² A government spokesman was more direct, "If Iraq uses chemical weapons against Israel, Baghdad will be no more."⁶⁰³ Warnings such as these by Shamir and others were interpreted as meaning that an Iraqi attack on Israel using chemical weapons could provoke a range of responses, possibly

⁶⁰¹Yitzhak Shamir, Summing Up (Boston: Little, Brown and Co., 1994), 218-19.

⁶⁰²Ze'ev Schiff, Ha'aretz, 2 November 1990.

⁶⁰³Interview with Dr. Yossi Olmert, Director, Government Press Office, 12 July 1990, Jerusalem. Olmert declined to specify whether this implied an Israeli nuclear response.

including a nuclear response. Senior officials did nothing to dispel this interpretation, which can be viewed as part of an effort to reinforce Israel's deterrence posture.

A division of opinion existed within the Israeli leadership concerning the wisdom of discussing the possible use of nuclear weapons. In response to a question, former Prime Minister and Defense Minister Yitzhak Rabin stated that, "Nuclear weapons do not have any role in this crisis."⁶⁰⁴ IDF Chief of Staff Dan Shomron was even more explicit in ruling out nuclear weapons,

Iraq has a limited ability to hit us, and it should take into account a very harsh response. Yet, we have always declared that we will not be the first to use nuclear weapons, and this remains our policy today.⁶⁰⁵

Despite these statements, some American officials, including Richard Cheney, were persuaded that if Iraq used a weapon of mass destruction against Israel, the latter might retaliate in kind.⁶⁰⁶ Notwithstanding such explicit and implicit threats, the multiple statements and threats that emanated from Jerusalem were counterproductive at times. For example, Israel threatened an immediate military response if Iraq moved forces into Jordan. By issuing this threat Israeli leaders provided Saddam with a method more certain than Scud missile attacks for provoking an Arab-Israeli war. Fortunately, for the United States, Israel, Jordan, and the coalition, Saddam opted to keep his forces entrenched in Kuwait and southeastern Iraq.

⁶⁰⁴Ma'ariv, 30 December 1990.

⁶⁰⁵Ma'ariv, 30 December 1990 and 13 January 1991.

⁶⁰⁶Cheney made these remarks during a press interview on 2 February 1991. See The New York Times, 3 February 1991.

Part II: Operation Desert Shield

The United States Responds

The United States immediately condemned Iraq's invasion of Kuwait and President Bush demanded an unconditional withdrawal. On August 2 the United Nations passed Resolution 660 that similarly condemned the invasion and demanded a complete and unconditional withdrawal. Four days later, Saddam summoned the U.S. Deputy Chief of Mission in Baghdad, John Wilson, for talks. Hussein told Wilson that Kuwait was an integral part of Iraq and there would be no return to the status quo.⁶¹⁷

In the five weeks that followed, the United States conducted a rapid deployment of 100,000 troops and equipment to Saudi Arabia in response to a Saudi invitation. The Saudis initially questioned the American resolve to confront Iraq. In a meeting in Washington on August 2, the Saudi ambassador to the United States, Prince Bandar, questioned whether American resolve was any greater than that shown by Jimmy Carter in 1979, when the President responded to a Saudi request for assistance by dispatching ten unarmed F-15s to Riyadh.⁶¹⁸ King Fahd was persuaded that the United States was serious in its determination to defend the kingdom as a result of a meeting in Riyadh on August 6 at which Secretary Cheney described the measures the United States was prepared to take. Fahd informed the Americans that his decision to invite U.S. forces into

⁶¹⁷The Washington Post, 7 August 1990.

⁶¹⁸Powell, My American Journey, 465. Ambassador Chas Freeman provided a similar account of the meeting in an interview on 12 August 1995, Washington, DC.

the kingdom represented the first instance in which he made a decision of such magnitude without conducting formal consultations within the royal family.⁶⁰⁹ According to Baker, the Saudis were the most aggressive members of the coalition; "they didn't just want Saddam ejected from Kuwait, they wanted him destroyed." President Mubarak was almost as hawkish and similarly believed that Saddam's ability to threaten his neighbors had to be destroyed.⁶¹⁰

With the Saudi invitation secured, Bush proceeded to outline U.S. objectives: the protection of Saudi Arabia and the Gulf; the protection of U.S. citizens; Iraq's unconditional and immediate withdrawal from Kuwait; and the restoration of Kuwait's legitimate government. As the crisis unfolded several formal and informal U.S. objectives were added to the list. These objectives included the establishment of a new regional security structure, the destruction of Iraq's non-conventional weapons, and the removal of Saddam from power (although this was not an explicitly stated objective).⁶¹¹ Bush assembled an international military and political coalition, which adopted and implemented economic sanctions and enforced a naval blockade in the Persian Gulf and Red Sea. The administration initially hoped that international political pressure, economic sanctions, and the increase in military capabilities of the U.S. and coalition forces would compel Saddam to withdraw.

⁶⁰⁹Interview with Secretary Richard Cheney, 15 September 1995, and Ambassador Chas Freeman, 12 August 1995, Washington, DC.

⁶¹⁰Baker, The Politics of Diplomacy, 289-91.

⁶¹¹The New York Times, 29 August 1990 and 4 September 1990.

Bush sought international legitimization for U.S. policy objectives through United Nations resolutions, and by the end of the conflict the Security Council had adopted twelve such resolutions. On September 4 Secretary of State James Baker noted the success of the United Nations and the United States in responding to the Iraqi aggression.

Never in its existence has the potential of the UN as a force for peace and stability been clearer. We are exhausting every diplomatic avenue to achieve a solution without further bloodshed...Every day as the sun sets Iraq gets weaker. Every day as the sun rises the international community remains firmly committed to the implementation of the Security Council resolutions. Let no one believe that because the Cold War is over the U.S. is somehow going to abdicate its international leadership.⁶¹²

Israel Waits

Prime Minister Shamir concluded that it was in Israel's best interest to avoid any action that might disrupt Bush's efforts to assemble and maintain the international coalition against Iraq.⁶¹³ Israeli officials tried to avoid assisting Saddam in his attempt to shift the dispute into an Arab-Israeli confrontation. Nevertheless, there was concern in Jerusalem regarding Washington's insistence on keeping Israel at arm's length.⁶¹⁴ This concern was heightened on August 8 when Saddam threatened to launch an attack against Israel after alleging that Israel was repainting its aircraft with U.S. markings in preparation for an attack on Iraq. Military officials in Washington and Tel Aviv

⁶¹²Text of Baker's speech before the House Foreign Affairs Committee, The New York Times, 4 September 1990.

⁶¹³Shamir, Summing Up, 224.

⁶¹⁴Arens, Broken Covenant, 154.

interpreted this threat as an early indication that Iraq planned to fire missiles at Israel if U.S. forces attacked Iraq.⁶¹⁵

In the early weeks of the crisis Israeli policy was based upon five precepts: Israel was not a party to the crisis; Israel would do nothing to accelerate the conflict in the Gulf; Israel would not get involved unless forced to do so; if necessary, Israel would provide for its own defense; and Israel would not offer unsolicited advice.⁶¹⁶ Shamir ordered the IDF to prepare for various contingencies in the event of war, but abstained from taking any provocative action. As part of these preparations Arens repeatedly asked Cheney to establish operational coordination between U.S. forces and the Israel Defense Forces (IDF). A critical item sought by Arens was real-time satellite imagery of missile launching sites in western Iraq. Cheney was reluctant to provide this information to Israel due to concern that it would be used to facilitate Israeli intervention by providing military planners with precise targeting data. Cheney recalled, "Clearly we were not interested in encouraging them to attack the Iraqis, or in providing them with information that would make it easier for them to attack the Iraqis."⁶¹⁷

The Bush administration's decision to distance itself from Israel in terms of operational and intelligence coordination raised doubts among some Israeli officials about the significance and seriousness of the strategic cooperation between the two countries.

⁶¹⁵The New York Times, 10 August 1990.

⁶¹⁶Shamir, Summing Up, 220.

⁶¹⁷Interview with Secretary of Defense Richard Cheney, 15 September 1995, Washington, DC; Arens, Broken Covenant, 158.

In the view of some in Israel, the various Memoranda of Understanding that had been signed during the previous decade were now being tested. They argued these agreements seemed meaningless at a time when cooperation was essential.⁶¹⁸

Despite the government's efforts to maintain a low profile, seemingly random events placed Israel in the spotlight in a manner that threatened to undermine the coalition. In an interview published on September 16, recently appointed U.S. Air Force Chief of Staff Michael Dugan remarked that based on Israeli advice, "Saddam should be the focus of our efforts...the best way to hurt Saddam was to target his family, his personal guard, and his mistress."⁶¹⁹ The Chairman of the Joint Chiefs of Staff, General Colin Powell, was surprised by the unauthorized remarks. In addition to being inconsistent with U.S. policy they, "suggested that American commanders were taking their cue from Israel, a perception fatal to the Arab alliance we were trying to forge."⁶²⁰ Secretary Cheney fired Dugan the following day.

Despite Baghdad's repeated threats of attack in the event of war, Israeli leaders had to maintain a low profile in order to avoid giving credence to suggestions that the United States was acting at Israel's behest. The Dugan episode highlighted a dilemma faced by Israeli leaders. They could not appear to be critical of the diplomatic efforts to resolve the conflict peacefully, although a diplomatic compromise that left the Iraqi military machine intact was a nightmare scenario for Israel. At the same time, they could

⁶¹⁸Ze'ev Schiff, "Israel After the War," Foreign Affairs, 70:2, (Spring 1991), 24.

⁶¹⁹The Washington Post, 16 September 1990.

⁶²⁰Powell, My American Journey, 476-78.

not publicly advocate military force lest they be perceived as warmongers, particularly when the soldiers of other countries would be doing the fighting.

In early December the government reassessed its "low profile" policy, and began hinting that Israel might take preemptive action if a political settlement was reached that left Saddam unscathed. Foreign Minister David Levy summoned U.S. Ambassador Bill Brown and conveyed his government's expectation that the United States would honor the commitments made following Iraq's invasion and occupation of Kuwait: the withdrawal of Iraqi forces from Kuwait and the elimination of the Iraqi threat. Levy noted that Israel had agreed to adopt a low profile largely because of these commitments. Unless decisive military action was taken against Iraq, Israel reserved the right to take appropriate military steps of her own.⁶²¹ Israeli concerns of Saddam extricating himself reached their peak on January 9 when Baker and Iraqi Foreign Minister Tariq Aziz met in Geneva in a final attempt to reach a diplomatic solution. During the six-hour meeting Baker rejected Aziz's attempts at linkage between Iraq's withdrawal from Kuwait and an Israeli withdrawal from the occupied territories, and Aziz rejected Baker's ultimatum to withdraw from Kuwait. Israeli concerns of Saddam achieving an eleventh-hour diplomatic escape were largely assuaged when the meeting concluded without progress.

Gulf War Bargaining

Instances of bilateral bargaining occurred in which Israel sought compensation for expenses related to responding to the threat from Iraq and related developments. In

⁶²¹Ha'aretz, 5 December 1990.

discussions with Cheney on September 17, Arens requested \$1 billion in additional military aid and compensation for the proposed \$20 billion U.S.-Saudi arms deal. Additionally, Israel requested forgiveness of its \$4.5 billion military aid debt similar to the administration's decision to forgive Egypt's \$7 billion debt.⁶²² In Arens' view this assistance was necessary to compensate Israel for the cost of mobilizing against the threat from Iraq, and to help Israel respond to the shift in the military balance that would result from the Saudi arms deal. Arens recalled that Cheney was, "completely taken aback by my requests." In Cheney's view, the meeting was rather typical of his encounters with Israeli officials in which they invariably submitted requests for specific materials and assistance. Cheney told Arens that in the Pentagon's view the threat to Israel had been reduced as a result of the increased American presence in the Gulf. Nevertheless, he assured Arens that Israel's "qualitative military edge" would be maintained, and suggested that the Bush administration would look "sympathetically" on Israel's request for additional military assistance if Israel and its supporters did not oppose the proposed Saudi arms sale.⁶²³ The following day Cheney offered Arens a number of items, one of which was to station U.S.-operated Patriot missile batteries in Israel. Arens declined the offer, but later reversed himself when Iraqi missiles began hitting Israel.⁶²⁴

When it became apparent that the Bush administration was reluctant to forgive

⁶²²The New York Times, 18 September 1995. The Bush administration wrote off \$7 billion in debt owed by Egypt, but was unwilling to do the same for Israel.

⁶²³The New York Times, 19 September 1990.

⁶²⁴Interview with Secretary of Defense Richard Cheney, 15 September 1995, Washington, DC.

Israel's military debt and provide substantial compensation for direct and indirect costs associated with the Gulf crisis, Israeli officials initiated a lobbying campaign through the America-Israel Public Affairs Committee (AIPAC) to obtain supplemental economic assistance. This effort exacerbated the difficulties that already existed between Washington and Jerusalem, as the Bush administration took exception to the Israeli tactic. Due largely to the delicate political environment the dispute simmered just beneath the surface. Then on February 14, 1991 (a month into the air campaign), Israel's ambassador to Washington, Zalman Shoval, publicly asserted that Israel, "had not received one cent of Gulf crisis assistance in spite of the fact that we have had immense direct military costs...not to mention the indirect economic costs." He criticized the Bush administration's handling of the matter and added, "we sometimes feel we are given the run-around." The administration's reaction was swift and harsh. The following day Shoval was personally reprimanded by Baker for his remarks, and the White House issued a statement that accused the ambassador of acting, "outside the bounds of behavior by the ambassador of any friendly country."⁶²⁵ In his meeting with Baker, Shoval was cautioned not to operate through Congress in an attempt to pressure the administration to alter the President's policies. Having vented their frustrations both sides appeared eager to put the issue in the past, especially at such a critical stage in the war. Additionally, Washington was concerned that a breakdown in the relationship might provoke a defiant Israeli reaction, possibly including a retaliatory strike on Iraq. Shamir sent a letter to Bush apologizing for his ambassador's indiscretion, and on February 20 Baker signed the

⁶²⁵The New York Times, 16 February 1991.

previously agreed \$400 million housing loan guarantees, despite the fact that Israel had not complied with Washington's request for clarifications on its settlement activities in the occupied territories.⁶²⁶

Linkage

Perhaps it was inevitable that the Israeli-Palestinian conflict would become a focal point of the Gulf conflict despite the efforts of all parties (with the exception of Iraq and the Palestinians) to deny linkage between the two. For Saddam, appearing to champion the Palestinian cause was an obvious diversionary tactic aimed at arousing Arab masses and embarrassing the Arab members of the coalition. On August 12 Saddam suggested he might withdraw from Kuwait if Syria withdrew from Lebanon and Israel withdrew from the occupied territories. He proposed that,

...all cases of occupation, and those cases that have been portrayed as occupation, in the region be resolved simultaneously and on the same principles that should be laid down by the Security Council as follows: Preparations for an immediate and unconditional Israeli withdrawal from occupied Arab lands in Palestine, Syria, and Lebanon; a Syrian withdrawal from Lebanon; mutual withdrawals by Iraq and Iran and arrangement for the situation in Kuwait.⁶²⁷

The United States continued to resist Saddam's attempts at linkage. Following a meeting in Washington between David Levy and James Baker on September 5, a statement was issued declaring that the Israeli-Palestinian issue should not be linked to

⁶²⁶Abraham Ben-Zvi, "The Prospect of American Pressure on Israel," in Joseph Alpher, ed. War in the Gulf: Implications for Israel, Boulder, CO: Westview, 1992), 102-04.

⁶²⁷Roger Hilsman, George Bush vs. Saddam Hussein: Military Success! Political Failure? (Novato, CA: Presidio Press, 1992), 72.

the Gulf crisis.⁶²⁸ However, in a speech to the United Nations General Assembly on October 1, Bush vaguely made reference to the "opportunities" that might arise to settle the Arab-Israeli conflict after Iraq's unconditional withdrawal from Kuwait.⁶²⁹ He condemned the destruction wrought by Iraq in Kuwait, and then suggested that an Iraqi withdrawal would pave the way, "for Iraq and Kuwait to settle their differences permanently; for the Gulf states to build new arrangements for stability; and for all the states and peoples of the region to settle the conflict that divides the Arabs from Israel."⁶³⁰ The President's remarks sent shockwaves through an Israeli leadership that feared Bush might allow Saddam to extricate himself from the crisis with his conventional and nuclear, biological, and chemical capabilities intact, in a position of great prestige in the Arab world, and with attention and the associated pressures focused back on the Arab-Israeli peace process.⁶³¹

A violent clash on the Temple Mount in Jerusalem on October 8 provided another opportunity for Saddam to exploit the Israeli-Palestinian conflict in his efforts to drive a wedge between the United States and its Arab coalition partners. What began as a rock-throwing clash between Israelis and Palestinians quickly escalated when Israeli security forces responded with live ammunition. When the confrontation ended 21 Palestinians

⁶²⁸Baker reportedly suggested that if Israel wished to counter Saddam's political efforts they should demonstrate to Arabs and Palestinians that there were credible alternatives to confrontation. See The New York Times, 6 September 1990.

⁶²⁹Peter Rodman, "Middle East Diplomacy," Foreign Affairs, 70:2, (Spring 1991), 9.

⁶³⁰The New York Times, 2 October 1990.

⁶³¹The Financial Times, 13 August 1990.

were dead, 200 were injured, and 22 Israelis were injured in what was the bloodiest incident in Jerusalem since the 1967 war.⁶³² An international wave of condemnation was directed toward Israel. Arab governments that joined the coalition were accused of complicity in the American double standard of rushing to the defense of Kuwait while doing little to prevent violence against Palestinians in the occupied territories. The incident provided the linkage Saddam had thus far been unable to engineer. He connected the incident on the Temple Mount to the American presence in Saudi Arabia.

After the Zionists thought that the American occupation of the sanctities in Najd and Hijaz and the destruction of Mecca and the Tomb of the Prophet provided them with the golden opportunity to entrench their occupation of Jerusalem...they attempted to destroy the al-Aqsa mosque.⁶³³

After considerable debate over language, the United States voted in support of UN Security Council Resolution 672 condemning Israel for its actions in the incident. Many in the Israeli government were troubled not only by the UN vote, but also at the level of American participation in drafting the resolution. Some viewed this as another example of the political price Israel would be required to pay for the American effort to keep its Arab coalition against Saddam intact.⁶³⁴ Bush added his voice to the chorus of criticism when he rebuked Israel for not acting "with more restraint."⁶³⁵ The President summoned

⁶³²The Washington Post, 9 October 1990.

⁶³³Radio Baghdad, 9 October 1990, in Lawrence Freedman and Efraim Karsh, The Gulf Conflict 1990-91: Diplomacy and War in the New World Order (Princeton: Princeton University Press, 1993), 169.

⁶³⁴William B. Quandt, "The Middle East," Foreign Affairs, 70:1, (1990/91), 66.

⁶³⁵The New York Times, 10 October 1990.

several American Jewish leaders to the White House and cautioned them that Israel was undermining the coalition against Saddam, and possibly endangering the lives of American soldiers in the Gulf.⁶³⁶

The Security Council resolution called for a UN delegation to travel to Jerusalem to investigate the incident. In response, the Shamir government announced that it would not cooperate with any such mission.⁶³⁷ Bush urged Israel to accept the UN mission, and James Baker notified David Levy that Israel's refusal would make it difficult for the United States to pursue resolutions against Iraq in the Security Council.⁶³⁸ Shamir refused to change his position, and on October 24 the Security Council unanimously passed Resolution 673 criticizing Israel for refusing to accept a UN delegation to investigate the incident.

In December the Security Council passed Resolution 681, which criticized Israel's planned deportation of Palestinians accused of participation in terrorist activities. The resolution called for the establishment of a mission to monitor the conditions of the Palestinians in the occupied territories. In a separate statement the Council also supported, "an international conference, at an appropriate time, properly structured, to facilitate efforts to achieve a negotiated settlement and lasting peace in the Arab-Israeli

⁶³⁶ Avi Shlaim, "Israel and the Conflict," in Alex Danchev and Dan Keohane, eds., International Perspectives on the Gulf Conflict (New York: St. Martin's, 1994), 67.

⁶³⁷ FBIS, Daily Report, 15 October 1990.

⁶³⁸ The New York Times, 16 October 1990.

conflict."⁶³⁹ Saddam was quick to cast these developments as Iraqi victories. What gradually became clear was that the United States had agreed to sequential linkage; once Saddam had been removed from Kuwait the Bush administration would focus its attention on the Arab-Israeli peace process.

On December 11 Bush and Shamir met for two hours at the White House in an effort to repair the troubled atmosphere the bilateral relationship. Several understandings were reached during the meeting. Bush assured Shamir that the U.S. would resist any effort to link the events in the Gulf with the status of the occupied territories and their inhabitants, and that the U.S. would come to Israel's aid in the event of an unprovoked Iraqi attack. Shamir assured Bush that for the time being Israel would refrain from any unilateral action such as launching a preemptive strike against Iraq.⁶⁴⁰

Two weeks after the onset of the air campaign in January, Foreign Minister David Levy proposed a five-point plan for a post-Gulf War settlement. One of the plan's conditions required that negotiations begin only after Iraq had been defeated. The plan rejected the previously proposed international conference, and called for separate bilateral talks between Israel and each of the Arab states.⁶⁴¹ On February 6, 1991, Secretary Baker outlined his blueprint of post-war U.S. policy in the Middle East. His plan also included five points: new regional security arrangements for the Persian Gulf; regional arms

⁶³⁹The Washington Post, 21 December 1990.

⁶⁴⁰Officials in the Prime Minister's office denied this account of events. Avi Shlaim, "Israel and the Conflict," in Danchev and Keohane, eds., International Perspectives on the Gulf Crisis, 68.

⁶⁴¹The Washington Post, 1 February 1991.

control; regional economic recovery and cooperation; reconciliation between Israel, the Arab states, and the Palestinians; and reducing U.S. energy dependence.⁶⁴² While the plan made reference to the resumption of the Arab-Israeli peace process, it avoided any explicit or implicit linkage between the peace process and the Gulf crisis.

Operational Coordination?

The repeated refusals of the United States to provide Israel with satellite intelligence data contributed to tension in the bilateral relationship as coalition forces continued to assemble in Saudi Arabia. In October Saddam warned that Iraq possessed a new missile (al-Hijara) that was capable of striking well within Israel.⁶⁴³ In early December the U.S. ambassador in Tel Aviv, Bill Brown, passed information to Arens (without authorization from Washington according to Arens) concerning Iraqi missile tests.⁶⁴⁴ Reports of these tests appeared in the media before the United States officially notified Israel of the missile launches. American reconnaissance satellites detected the launches; however, verification and response time was eight and a half minutes, whereas the missile flight time from Iraq to Israel was seven and a half minutes. The commander-in-chief of U.S. Space Command, who had responsibility for monitoring Iraqi missiles and launch verification, recognized the military and political need for reducing

⁶⁴²Dore Gold, "The Gulf Crisis and U.S.-Israel Relations," in War in the Gulf: Implications for Israel, Report of the Jaffee Center for Strategic Studies (Boulder, CO: Westview Press, 1992), 73.

⁶⁴³The Washington Post, 10 October 1990.

⁶⁴⁴Arens, Broken Covenant, 167.

notification time. Sufficient warning time was required so that military and civilian leaders could take appropriate defensive measures.⁶⁴⁵ A revised method was developed that reduced response time to approximately two minutes, which provided about five minutes warning of an Iraqi missile launch.⁶⁴⁶

Troubled by the lack of American notification, Arens again requested satellite intelligence data from Cheney and Brown. Brown inquired if Israel was prepared to guarantee that it would take no military action against Iraq if the U.S. furnished the requested data. Arens replied that although there were no specific plans to attack Iraq at that time, Israel reserved the right to take measures deemed necessary to protect its civilian population. Arens added, "If we concluded that the missile-launching sites had to be hit, we would do so regardless of whether the United States did or did not supply us with the photos."⁶⁴⁷

This issue re-emerged during the last week in December when Israel test-fired a medium-range surface-to-surface missile without notifying the United States.⁶⁴⁸ The move was interpreted in Washington as a demonstration for Saddam of Israel's retaliatory capability and decision-making independence. Bush administration officials were troubled by the Israeli act, which could have been exploited by Iraq as a provocation. The

⁶⁴⁵Missile launch warning time was not only a factor relevant to Israel, but also to Saudi Arabia and coalition forces in the theater of operations.

⁶⁴⁶Remarks by Lt. General Donald J. Kutyna, Commander-in-Chief, U.S. Space Command, 28 March 1996, Colorado Springs, CO.

⁶⁴⁷*Ibid.*, 167.

⁶⁴⁸The Washington Post, 27 December 1990.

Bush administration sought assurances from Israel that the missile test was not in preparation for a preemptive strike. A new round of U.S.-Israeli talks commenced aimed at clarifying Israeli intentions and dissuading further provocative acts. The reported outcome of these talks was an assurance by Shamir to Bush that Israel would not use its missiles to launch a preemptive strike against Iraq.⁶⁴⁹

During the first week in January 1991 the Bush administration began to take measured, secret steps to improve communication with Israel.⁶⁵⁰ This was due more to the impending start of the air campaign than to a shift in U.S. policy. In the Bush administration's division of labor Cheney drew the "Israeli account." It was his responsibility to act as the primary point of contact with the Shamir government, and it fell upon him to persuade the Israelis not to take any action that might undermine the coalition.

Arens continued to press Cheney for operational coordination as the start of the air campaign drew near, and Cheney continued to resist since he believed that the Israelis were planning to retaliate in the event of an Iraqi missile attack. Arens requested that the United States convey a request to Riyadh for permission for Israeli aircraft to overfly Saudi Arabia en route to Iraq. Cheney refused to convey the request.⁶⁵¹ Cheney attempted to persuade the Israelis that it was not in their interest to retaliate against Iraq.

⁶⁴⁹FBIS, Daily Report, 31 December 1990.

⁶⁵⁰A secure telephone line between Arens and Cheney code-named "Hammer Rick" became operational on 7 January. See Arens, Broken Covenant, 169.

⁶⁵¹Interview with Secretary of Defense Richard Cheney, 15 September 1995, Washington, DC. James Baker later communicated the request to Prince Bandar, who responded that it would be a waste of time

and insisted that the United States would not cooperate with any Israeli military effort.

Cheney also assured Arens that,

the targets in western Iraq will be dealt with by the U.S. Air Force, including all targets that could be a threat to Israel. From a military point of view there will be no need for you to respond because there will be no targets that will not be taken care of.⁶⁵²

In addition to the military argument, Cheney stressed the political significance of Israel remaining on the sidelines. "Let me emphasize the importance of Israel staying out of the conflict. It is important not only for Israel but also for the interests of the United States."

Cheney described the potential negative impact of Israeli intervention. "We are in a situation where if Israel becomes involved it will influence some of the members of the coalition to cancel their military participation and it will increase the burden on the United States." Shifting to the sensitive issue of casualties he added, "We will have to take upon ourselves additional missions, and this will cause us more casualties."⁶⁵³

On January 12 an American delegation led by Deputy Secretary of State Lawrence Eagleburger arrived in Israel with the ostensible assignment of "coordinating policy and strategy in the event that hostilities break out." In practice this amounted to urging Shamir not to retaliate to the Iraqi attack that was likely to occur. Arens advised Shamir to offer no assurances and to continue to reserve Israel's right to respond unilaterally to any Iraqi attack. After Shamir expressed this position to the Americans, Arens reported

to forward such a request to King Fahd. See Baker, The Politics of Diplomacy, 386.

⁶⁵²Arens, Broken Covenant, 171.

⁶⁵³Ibid., 173.

that Eagleburger and Shamir discussed a "fallback position." If Israel were attacked and decided to respond, the United States and Israel would then consult in order for U.S. forces to "stand down" in order to clear out of a mutually agreed area of Iraq in which Israeli forces could operate.⁶⁵⁴ Cheney disputed Arens' account:

There was never any understanding to my knowledge, ever any understanding that anyone ever talked to me about, that we would stand down. I don't know what Larry [Eagleburger] might have said to Arens in Israel, but I don't think Larry would have gone off the reservation on this.⁶⁵⁵

Based upon a number of accounts it seems likely that some discussions did take place between U.S. and Israeli officials concerning the possibility of clearing an air corridor for the Israel Air Force (IAF). However, American officials are consistent in their view that the United States never consented to Israeli intervention, and discussions related to this subject were limited to persuading the Israelis to confine any potential missions to Scud hunting and attacking the H-2 and H-3 airfields in western Iraq.⁶⁵⁶ Arens claimed that Cheney told him, "If you will operate there, we will simply leave the area west of 42 degrees longitude."⁶⁵⁷ Cheney's response was that he repeatedly informed Arens that the United States would do nothing to facilitate Israeli military intervention.⁶⁵⁸ According to Cheney, although the United States was willing to coordinate the Scud hunt with defense

⁶⁵⁴Ibid., 174.

⁶⁵⁵Interview with Secretary Richard Cheney, 15 September 1995, Washington, DC.

⁶⁵⁶Gordon and Trainor, The Generals' War, 232.

⁶⁵⁷Arens, Broken Covenant, 188.

⁶⁵⁸See Baker, The Politics of Diplomacy, 388-89.

officials in Tel Aviv, "there was always a reluctance to provide [Israel with] targeting information. We were not interested in giving them information which would make it any easier for them to attack Iraq."⁶⁵⁹

Where coordination occurred it was generally limited to American defense officials listening to Israeli advice on operational methods. Cheney dispatched General Tom Olson to Tel Aviv following the first Scud attacks on Israel. Olson was the number two U.S. air force operations officer in the Gulf. Arens claimed that the understanding between Cheney and Arens regarding the purpose of Olson's visit was to provide Israel with satellite imagery of western Iraq and to assist in operational coordination. However, Olson delivered month-old satellite photos (useless in the hunt for mobile launchers) and told Arens he had no authority to initiate operational coordination between CENTCOM and Israel.⁶⁶⁰ Some senior Israeli officials were convinced that their training and methods were better suited for the mission at hand than the methods being employed by American forces. The Americans responded that Israeli pilots would face the same difficulties that U.S. forces were experiencing in eliminating the mobile, concealable launchers.

Part III: Operation Desert Storm

On January 16 coalition forces launched a massive air campaign aimed at Iraq's command, control, and communications centers (C3I), troop concentrations, air defense networks, missile launchers, airfields, defense related industries, and facilities used for

⁶⁵⁹Interview with Secretary Richard Cheney, 15 September 1995, Washington, DC.

⁶⁶⁰Arens, Broken Covenant, 182-83.

the research and development of weapons of mass destruction. Secondary targets included bridges, road and rail networks, civilian communications facilities, and other elements of the Iraqi infrastructure. President Bush announced the commencement of the air war and added, "We have no choice but to force Saddam from Kuwait. We will not fail." In addition to liberating Kuwait he also noted that another military objective was, "to knock out Saddam Hussein's nuclear bomb potential and his chemical weapons facilities."⁶⁶¹ The 690,000 allied troops (465,000 Americans and 265,000 from 27 other countries) whose primary mission thus far had been to deter an Iraqi attack, and to defend Saudi Arabia in the event deterrence failed, were now charged with the task of driving Iraqi forces out of Kuwait.⁶⁶²

Scuds

There were no Scud launches against Israel during the first night of the war. American commanders attributed the apparent suppression of missile launches to the air attacks being directed against stationary launchers in western Iraq, which they assumed would be the primary launch vehicle. This conclusion proved to be both premature and incorrect. The 28 stationary launchers in western Iraq that could have been used to launch missiles at Israel served as little more than a diversion, as Iraq made no attempt to use them during the war. Instead, all of Iraq's missiles were launched from mobile launchers. Clever Iraqi "shoot and scoot" tactics and inadequate resources dedicated to

⁶⁶¹The New York Times, 17 January 1991.

⁶⁶²See The Washington Post and The New York Times, 17 January 1991.

the Scud hunt also contributed to Iraqi successes. The Iraqis concealed and camouflaged their mobile launchers during the day to hide them from U.S. satellites. Under the cover of darkness missile crews moved to predetermined launch positions, fired their missiles, and quickly returned to cover. Iraq also effectively employed decoys that were difficult to distinguish from actual missiles at a distance of twenty-five yards. By the end of the war it had become apparent that CENTCOM's plan to destroy the stationary launchers, bomb the missile production facilities, and keep a handful of F-15s on constant patrol over western Iraq to respond to the launches from mobile launchers, may have hindered but failed to suppress Iraqi missile launches.⁶⁶³

On January 17 Iraq launched its first eight missiles at Israel, with four hits in Tel Aviv and Haifa. The attack caused fifteen minor casualties, considerable property damage, but no fatalities. An immediate concern was whether the warheads contained chemical agents. Initial reports stated that nerve agents had been detected, but these reports were corrected following investigations that determined conventional high explosive warheads had been used.⁶⁶⁴ The Shamir government privately told U.S. officials that two variables would weigh heavily on their decision regarding retaliation: the amount and severity of casualties suffered, and the use of chemical or biological warheads. On more than one occasion the Shamir government informed the United States that if Iraq fired chemical or biological agents at Israel there would be an

⁶⁶³Gordon and Trainor, The Generals' War, 230.

⁶⁶⁴Arens, Broken Covenant, 178; The New York Times, 18 January 1991.

immediate and severe response.⁶⁶⁵ Following talks with Bush, Shamir agreed to delay a retaliatory attack. He said that Israel would assess the results of the coalition attacks on Iraq and the effectiveness of the Patriot batteries that were being delivered to Israel.⁶⁶⁶

A number of variables contributed to the relatively low number of deaths and serious injuries resulting from the Scud attacks on Israel. First, the warhead payload had to be reduced to increase the range of the missile to enable it to reach Israel. Second, the inherent inaccuracy of the missile reduced its effectiveness. Third, the availability of early warning allowed for civil defense measures. Fourth, several missiles malfunctioned prior to impact. Fifth, Israeli construction practices, and finally, good fortune.⁶⁶⁷

Retaliation or Restraint?

Secretary Baker contacted Shamir and Arens shortly after the first missile attack. The consensus in Washington was that due to the logistical difficulties associated with getting its aircraft to Iraq, Israel would most likely retaliate with its Jericho surface-to-surface missiles. Baker urged Shamir to show restraint despite the Iraqi aggression, and reminded the Prime Minister of the negative impact Israeli intervention would likely have on the international coalition. In military terms, Baker argued that there was no need for the Israeli military to intervene since U.S. forces were neutralizing the missile threat. In

⁶⁶⁵FBIS, Daily Report, 5 February 1991; and Shamir, Summing Up, 224.

⁶⁶⁶The Washington Post, 20 January 1991.

⁶⁶⁷Two deaths and 230 injuries could be directly attributed to the missile attacks. For a review of the Scud attacks and the performance of the Patriot system see George N. Lewis, et al, Casualties and Damage from Scud Attacks in the 1991 Gulf War, Defense and Arms Control Study Program, MIT.

political terms, Baker suggested that Israeli restraint would help to repair the bilateral relationship, which "we both knew was in some considerable disrepair." Baker added, "We are very appreciative of the approach of the government of Israel throughout the crisis. We will remember it. This is very important to us."⁶⁶⁸

As part of their response, Shamir and Arens reversed their previous decision and requested six batteries of Patriot missiles to be operated by American soldiers. That foreign forces were now helping to defend Israel was another departure from Israeli security doctrine; however, there was no alternative since Israeli forces had not been trained in the operation of the Patriot system.

Shamir saw three options in response to the missile attacks: the IAF could initiate search and destroy missions against the Iraqi launchers; Israel could rely on U.S. forces to conduct such operations; or IAF and U.S. Air Force operations could be coordinated to delineate specific areas of responsibility. The last option was Shamir's preferred course, and Arens expressed this to Cheney within hours after the first missiles hit Israel.⁶⁶⁹

American officials argued that this option was not feasible due to the political sensitivities of the coalition, and the likelihood that Jordan would challenge Israeli forces.⁶⁷⁰ Bush telephoned Shamir on January 19 to ask that Israel take American

(Cambridge: 1993), 3.

⁶⁶⁸Baker, The Politics of Diplomacy, 386-87.

⁶⁶⁹Shamir, Summing Up, 223; Arens, Broken Covenant, 178.

⁶⁷⁰In order for Israel to conduct missions in western Iraq it was necessary to cross Syrian, Jordanian, and/or Saudi airspace. All three had specifically denied Israel permission to overfly their territory in order to reach Iraq. Interview with Richard Cheney and Chas Freeman; and Shamir, Summing Up, 223.

concerns into consideration, and he repeated the argument that Israeli intervention would not significantly alter the outcome of the war. Bush had been briefed on Israel's plan to retaliate (as conveyed to Cheney by Arens) and appealed that Israel not undertake such a mission.⁶⁷¹ In a letter to Shamir, Bush wrote that the Israeli plan was "full of imagination and daring," and acknowledged the tremendous pressure on Shamir to retaliate.

However, "be it most justified...[Bush urged Shamir to] show restraint in the face of aggression...for the greater good of Israel and the U.S."⁶⁷²

Shamir deferred any intervention that did not include coordination with the United States. He decided that,

We had no alternative but to work within the framework proposed by the [Bush] administration.⁶⁷³ The Americans are a very important political and military factor. It is most important, and we have to assure it, that they will help us and not hurt us. In every move of ours we have to take this into consideration, their position and attitude toward us.⁶⁷⁴

Shamir acknowledged that an Israeli-Jordanian military confrontation would likely have caused devastating consequences for the coalition and the pursuit of the war against Iraq.

On this issue Shamir recalled,

No action on our part, whether ground or air, could possibly preclude our entering and traversing Jordanian territory; this was something to which the Jordanians were not prepared to agree under any circumstances as was made quite clear both to us and to

⁶⁷¹Arens, Broken Covenant, 184.

⁶⁷²Ibid., 191.

⁶⁷³Shamir, Summing Up, 223-24.

⁶⁷⁴Arens, Broken Covenant, 191.

the United States. Moreover, they said they would fight in defense of Jordan's sovereignty.⁶⁷⁵

Subsequent statements by Shamir indicated that communication took place between the Prime Minister and King Hussein throughout the war and that, "We had a feeling that Hussein would not participate in this war against us, and that he would do everything he could to prevent the Iraqis from using his territory."⁶⁷⁶

While counseling restraint, American officials prepared for the prospect of Israeli intervention. Richard Armitage, a former defense official in the Reagan administration, was sent to Amman to discuss the possibility of Israeli intervention with King Hussein. Their discussions produced two key understandings that were not made public. The first was the recognition that Jordan could not militarily prevent Israeli retaliation against Iraq, nor could Jordanian forces effectively prevent the violation of Jordan's airspace by Israeli forces. If Jordan had attempted to prevent such an occurrence the likely outcome would have been the rapid defeat of its military. Therefore, to avoid a broader conflagration the U.S. and Jordan unofficially agreed that Jordan would not challenge Israeli forces, but hoped that the agreement would not be tested.⁶⁷⁷

Some in the Israeli government believed that due to its specialized training and experience the IDF was more capable of locating and destroying missile launchers in

⁶⁷⁵Shamir, Summing Up, 223. It is interesting that Shamir failed to recount the Israeli request to overfly Saudi territory as an alternative to overflying Jordan. Both Secretary Cheney and Ambassador Freeman recalled that Israel asked the United States to convey such a request to the Saudis.

⁶⁷⁶The Washington Post, 15 January 1995.

⁶⁷⁷FBIS, Daily Report, 24 January 1991; Gordon and Trainor, The Generals' War, 236.

western Iraq than were their American and coalition counterparts.⁶⁷⁸ Nevertheless, according to Chief of Staff Dan Shomron, following the first missile attack on January 17 the unanimous conclusion of the IDF General Staff was that Israeli intervention would probably not produce substantially different results and might cause severe damage to the international coalition. Therefore, Shomron recommended restraint to the Cabinet for the time being.⁶⁷⁹ This advice supported Shamir's view that Israel could show restraint as long as Israeli casualties remained low.⁶⁸⁰ As Scuds continued to hit Israel political and military pressure to retaliate increased. On January 19 within minutes of a Scud attack (in which three missiles landed in Tel Aviv) Israeli aircraft took to the air in anticipation of an order to retaliate. The aircraft hovered along Israel's borders while Shamir and Arens received another briefing on the proposed Scud search and destroy operation. They concluded that the IDF plan had operational shortfalls, including the absence of real-time intelligence and operational coordination with coalition forces. They believed that coordination was essential given the considerable political risks and operational complexity of the retaliation mission.⁶⁸¹

On January 22 Tel Aviv was subjected to another round of Scuds. Arens contacted Cheney again and requested a five-mile wide air corridor and a three-hour

⁶⁷⁸For the Israeli argument see Ze'ev Schiff, "Israel After the War," Foreign Affairs, 70:2, (Spring 1991), 23.

⁶⁷⁹Freedman and Karsh, The Gulf Conflict, 1990-1991, 333.

⁶⁸⁰Shamir, Summing Up, 224.

⁶⁸¹Arens, Broken Covenant, 180.

stand-down of coalition air operations in the area so that Israel could undertake its own air and ground mission. Arens argued that as time passed and Scuds continued to hit Israel political pressure increased, and the logic of restraint became less persuasive to the military and political leadership in Jerusalem. The next day Shamir wrote to Bush formally requesting the United States stand-down and allow Israel to retaliate. Shamir wrote, "We believe we can, and must, mount an operation that has a chance of carrying out the task and achieving its objectives." Deputy Secretary of State Eagleburger (who was in Israel at the time) was instructed to notify Shamir that the United States could not respond favorably to the Israeli request, but if Israel refrained from retaliating additional Patriots would be provided and operational coordination would be increased.⁶⁸²

Many in the Israeli defense establishment believed that the proposed Israeli ground and air assault into western Iraq would likely produce better results than had been achieved to that point, but at a price of higher casualties. According to one former senior defense official, the view held by Air Force Chief of Staff Avi Bin-Nun was that the results of an Israeli air-only operation would probably not be substantially different from the results being achieved by coalition forces, provided the U.S. dedicated sufficient resources to the effort. However, it was becoming apparent that in terms of resources the Scud hunt was not the military priority that Cheney had described. Bin-Nun (and other senior officials) weighed the prospect of better results by the IDF against the risk of undermining a military coalition that was in the midst of decimating Iraq's military capabilities well beyond the Scud missiles. In terms of air sortie capability alone, Israel

⁶⁸²Baker, The Politics of Diplomacy, 389.

possessed only a fraction of the aircraft being directed at a variety of targets on an around-the-clock basis. Therefore, Bin-Nun concluded that Israel's interests--defined as the destruction of Iraq's conventional and unconventional military capabilities--were best served by keeping its forces out of the conflict as long as casualties from the Scud attacks remained low.⁶⁸³

In a meeting in Washington on January 28, Arens and Deputy Chief of Staff Ehud Barak argued to Cheney and Powell that ground operations were necessary to neutralize the Scuds, and the former presented their plan for a combined air and ground operation. To this point the U.S. effort had been limited to aerial attacks. Arens said Israel was prepared to undertake ground operations, but this required coordination with U.S. forces. Cheney resisted the Israeli plan and then, over Schwarzkopf's objections, he directed U.S. Special Forces to initiate ground operations to seek and destroy the mobile Scud launchers in western Iraq. The primary value of this effort proved to be political rather than military. In testimony to Congress after the war, it was reported that U.S. Special Forces had been responsible for destroying a dozen Scuds. That figure that was later revised to concede that most, if not all, of their hits were on decoys.⁶⁸⁴

Patriot

The performance of the Patriot air defense system came under scrutiny following

⁶⁸³Interview with Major-General Shlomo Gazit (former chief of military intelligence), 25 July 1995, Washington.

⁶⁸⁴Gordon and Trainor, The Generals' War, 244-46.

claims of great success during the war. The Patriot, designed as an anti-aircraft "point defense" surface-to-air (SAM) system, was utilized in Israel and Saudi Arabia in an "area defense" capacity against ballistic missiles. Four Patriot batteries were deployed near Tel Aviv and two near Haifa.⁶⁸⁵ The first Patriot battery became operational in Israel after 12 missiles had already landed. Of the 39 Scuds that reached Israel, 27 were fired after Patriot was operational; and Patriot engaged seventeen of these. Shortly after the war the U.S. Army claimed a 96% success rate for Patriot intercepts of Scuds. The Army later revised that number to 40%, and then qualified this figure by stating that only 40% of this group fell into the "highest confidence" category of successful intercepts.⁶⁸⁶ Therefore, of the 17 Scuds engaged in Israel the U.S. Army credits Patriot with a maximum of seven successful intercepts, with three of these in the "highest confidence" category. There are reasons to believe even these revised estimates claim a higher than warranted success rate, and some sources claim that Patriot failed to successfully intercept even one Scud.⁶⁸⁷ Additionally, the damage prevented by the successful intercepts has to be balanced against the damage caused by four (or perhaps more) Patriots that struck the ground and exploded. Debris from intercepted Scuds and Patriots that detonated above cities also caused some damage.⁶⁸⁸ The available data suggest that the Patriots' primary

⁶⁸⁵One battery was deployed near Jerusalem but it did not engage any Scuds, George N. Lewis, et al. "Casualties and Damage from Scud Attacks in the 1991 Gulf War," 16.

⁶⁸⁶U.S. General Accounting Office, Operation Desert Storm: Data Does Not Exist to Conclusively Say How Well Patriot Performed, GAO/NSIAD-92-340, (September 1992), 3.

⁶⁸⁷Arens, Broken Covenant, 220.

⁶⁸⁸John Conyers, Jr., "The Patriot Myth: Caveat Emptor," Arms Control Today, (November 1992), 3-293

contributions were political and psychological; however, they most likely did not play a significant role in reducing casualties.

The Hunt for Scuds

The failure of U.S. forces to locate and neutralize Iraq's mobile Scud launchers was perhaps the greatest shortcoming in terms of the coalition's military performance. This failure is even more pronounced given that the operational environment was favorable to mission success (early suppression of enemy air defenses, open terrain, relative absence of adversary aircraft). It is apparent that several elements of the Scud hunting effort were poorly planned, and inadequate resources were made available for that purpose. In statements to the media Schwarzkopf expressed his view that Iraqi Scuds had little military significance, and that their primary value was as a psychological terror weapon. Cheney took exception with Schwarzkopf's statements and privately expressed dissatisfaction with the General's performance in neutralizing the Scud threat. The difference of opinion between Cheney and Schwarzkopf came to the fore on the second night of the war (January 18) following Schwarzkopf's assurances that U.S. forces, "would attack them [Scud launchers] relentlessly until we are prevented from attacking them by weather or have destroyed them all."⁶⁸⁹ Iraq launched eight Scuds within hours of that statement despite the U.S. bombing effort, and it appeared likely there would be more launches. Schwarzkopf had assured Cheney that F-15s would be patrolling western

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⁶⁸⁹Daily CENTCOM briefing in Riyadh, 18 January 1991, in The New York Times, 19 January 1991.

Iraq ready to perform search and destroy missions in the event of a missile launch.

Cheney was informed that on the night of January 18 there were no F-15s patrolling for Scuds in western Iraq; they had aborted their mission after they failed to rendezvous with airborne refueling tankers. Consequently, of the seventy-five air strikes that night specifically targeted against missile launchers, production sites, and storage facilities, only a small portion were dedicated to attacking mobile Scud launchers in western Iraq, the primary source of the threat. When Cheney learned of the disparity between his instructions and Schwarzkopf's implementation he angrily erupted, "As long as I am Secretary of Defense the Defense Department will do as I tell them. The number one priority is to keep Israel out of the war." Cheney then ordered American aircraft to divert immediately to western Iraq so that at a minimum Israel would see them on their radars and accept the American assurances that significant resources were being directed toward neutralizing the Scuds.⁶⁹⁰

Some attributed Schwarzkopf's minimizing attitude concerning the threat posed by Scuds to CENTCOM's traditional indifference toward Israel. Since the establishment of formal U.S.-Israel strategic cooperation during the Reagan administration, American political and military officials have been careful to note that the geographical context of this cooperation is the eastern Mediterranean. In operational terms this means Israel falls under the U.S. European Command's (EUCOM) area of responsibility (AOR), rather than CENTCOM's AOR that includes the Arabian Peninsula, the Persian Gulf region, and parts of South Asia. The political rationale for this arrangement was that Saudi Arabia

⁶⁹⁰Gordon and Trainor, The Generals' War, 233-35.

and other U.S. allies in the Gulf would have great difficulty cooperating with the United States under an organization and command structure that also included Israel.

Schwarzkopf's perception of the limited nature of the Scud threat, and his skepticism of the utility of special operations forces for such missions, also contributed to differences of opinion concerning the appropriate response to the missile attacks. Consequently, at times American policy and strategy appeared contradictory and inconsistent. At the same time Bush administration officials were urging Israeli leaders not to intervene, and assuring them that substantial resources were being directed toward eliminating the Scud threat, senior military officials were telling the media that the missiles were militarily insignificant other than as a terror weapon.⁶⁹¹ CENTCOM commanders viewed the defeat of the Iraqi army as the overarching priority of Operation Desert Storm, and Scuds were not viewed as a decisive military factor in that equation. They argued that the Scud hunt was secondary to CENTCOM's primary objectives, and the effort diverted valuable resources from other critical targets. Lt. General Charles Horner, commander of the air campaign, designed a contingency plan that if Israel was dissatisfied with the U.S. effort and decided to launch its own strike, U.S. aircraft would clear out of western Iraq to allow the IAF to see if they could achieve better results.⁶⁹²

Schwarzkopf and Cheney held divergent viewpoints on issues beyond the significance of the Scuds and the appropriate military response. These disagreements contributed to tension between the military chiefs and their civilian bosses. Both Cheney

⁶⁹¹Ibid., 229.

⁶⁹²Ibid., 238.

and Schwarzkopf had formulated their own battle plan that reflected what they perceived as U.S. priorities: Cheney's "Western Excursion" plan specifically avoided a protracted, direct ground engagement with Iraqi forces while rapidly neutralizing the Scud threat. Schwarzkopf's ground offensive plan was rejected because Cheney felt it lacked creativity and sent U.S. forces head-on into Iraq's fortified defense positions.⁶⁹³

Notwithstanding their protests to the contrary, based on CENTCOM's own statistics the percentage of resources directed toward Scud hunting was relatively modest. Of the 41,310 bombing missions flown during the Gulf War, 1,460, or 3.5%, were directed against Scud launchers and production facilities.⁶⁹⁴ Additionally, battlefield damage assessments (BDA) were occasionally inaccurate. In one instance, Schwarzkopf displayed a videotape of what he identified as the destruction of a mobile Scud launcher. Within hours the launcher Schwarzkopf referred to was positively identified as four Jordanian fuel trucks.⁶⁹⁵ Reports of successful attacks sometimes included attacks on decoys, previously bombed targets, and stationary launchers.⁶⁹⁶ As far as the stationary launchers were concerned, Schwarzkopf reported that all 28 had been destroyed. A subsequent Defense Intelligence Agency (DIA) report indicated that fewer than half that number may actually have been destroyed. Furthermore, since Iraq never attempted to

⁶⁹³For a discussion of both strategies see Gordon and Trainor, The Generals' War, 123-226.

⁶⁹⁴Ibid., 238-39.

⁶⁹⁵Powell, My American Journey, 510-11.

⁶⁹⁶Exaggeration was not limited to the results of Scud hunting operations. An analysis of the number of Iraqi tanks that were reported to have been destroyed during the air campaign showed an overestimation of between 100-134 percent. See U.S. House of Representatives, "Intelligence Successes

launch missiles from the stationary launchers, the number destroyed was irrelevant. As far as the mobile launchers were concerned, a DIA memorandum indicated that U.S. forces destroyed not a single one during the Gulf War. According to the report,

In spite of over a hundred claims of destroyed SRBM (short-range ballistic missiles) mobile launchers, national intelligence resources did not confirm any of the kills...Even in the last days of the war, Baghdad retained a sufficient capability to initiate firings from new launch areas.⁶⁹⁷

Notwithstanding the shortcomings in the planning and execution of the Scud hunting effort, Iraq's ability to launch Scuds was likely hindered as the air campaign progressed. From January 18 to January 27 Iraq launched 49 Scuds (25 at Israel and 24 at Saudi Arabia), mostly at population centers. From January 28 to February 10 that number declined to eight launches (five against Israel and three against Saudi Arabia); this after the U.S. intensified its Scud hunting efforts to include special operations ground forces. From February 11 to February 25 the launches increased to 29 (ten against Israel and nineteen against Saudi Arabia). However, these missiles were launched from deeper inside Iraqi territory and were re-targeted from urban centers to other "high-value" targets, such as the Dimona nuclear reactor in southern Israel.⁶⁹⁸

The Ground War Begins and Ends

On February 22, after five weeks of the air campaign, Bush announced that

and Failures in Operations Desert Shield/Storm," Committee on Armed Services, (August 1993).

⁶⁹⁷U.S. House of Representatives, "Intelligence Successes and Failures of Operations Desert Shield/Storm," 17.

coalition forces would launch a ground attack in 24 hours unless Iraqi forces began a withdrawal from Kuwait. Additionally, within 48 hours Iraqi forces were to have vacated Kuwait City and released all POWs, and by the end of the week they were to have completed a total withdrawal. Saddam denounced the Bush ultimatum as "shameful." Once again the Israeli leadership held its breath as Iraq was given another opportunity to extricate itself. Although Iraq's losses had been substantial to this point, Israeli officials were not yet satisfied that the military threat from Iraq had been sufficiently reduced.

A Soviet peace initiative that Iraqi leaders said could serve as the basis for negotiations became a complicating factor as the onset of the ground war approached.⁶⁹⁹ Foreign Minister Tariq Aziz had been in Moscow since February 15 holding discussions with Soviet officials based upon the Soviet initiative.⁷⁰⁰ Aziz eventually endorsed the Soviet plan, which required an Iraqi commitment to withdraw from Kuwait City in four days, then release all allied POWs in three days, and a complete withdrawal from Kuwait within three weeks. In a series of difficult conversations between Gorbachev, Bush, and Baker, the Soviet leader expressed the desire to avert a ground war, and argued that this was in the best interests of the United States and Iraq. However, Bush refused to accept anything less than a complete withdrawal from Kuwait and Iraq's compliance with all United Nations resolutions. According to Baker,

The President was particularly offended that Gorbachev was

⁶⁹⁸The New York Times, 18 February 1991; Gordon and Trainor, The Generals' War, 248.

⁶⁹⁹Baker, The Politics of Diplomacy, 402-05.

⁷⁰⁰The New York Times, 23 February 1991.

endorsing releasing Saddam from the requirements of the UN resolutions. When Gorbachev asked him to give negotiations a few more days, he [Bush] was in no mood to be generous.⁷⁰¹

The ground offensive into Iraq and occupied Kuwait began on February 23, eight hours after the expiration of Bush's 24-hour ultimatum. The rapid defeat of Iraq's military forces is well known. In the first day of the ground war more than coalition forces captured 10,000 Iraqi POWs, many of who surrendered.⁷⁰² The following day Tariq Aziz informed the Soviet ambassador in Baghdad that Iraq had ordered its forces to withdraw, "to the positions held prior to August 1, 1990," as demanded by UN Resolution 660. However, since there had been no authoritative contact between Iraq and the United Nations on this matter the Bush administration said the ground offensive would continue.⁷⁰³ Bush stated that coalition forces would continue to attack Iraqi forces, which he said were retreating rather than withdrawing. The President also demanded that Saddam offer an unconditional surrender, renounce Iraqi claims on Kuwait, and express remorse for Iraqi aggression. In support of the U.S. position, the Security Council (including the Soviet Union) reaffirmed the need for Iraq to comply with all twelve of UN resolutions pertaining to its invasion and occupation of Kuwait.⁷⁰⁴

On February 27, on the advice of his military advisers, Bush announced that allied

⁷⁰¹Baker, The Politics of Diplomacy, 406.

⁷⁰²The Washington Post, 25 February 1991. This number more than tripled in the 48 hours which followed.

⁷⁰³The New York Times, 26 February 1991.

⁷⁰⁴The New York Times, 27 February 1991.

forces had been victorious in liberating Kuwait and in defeating the Iraqi military. Therefore, he ordered coalition forces to suspend attacks against Iraq as of midnight. Bush added that a permanent cease-fire was contingent upon Iraq's willingness to comply with all UN resolutions and the return of all POWs and detained Kuwaiti citizens. After fruitless last-minute political maneuvers aimed at evading several of the UN resolutions, Iraq accepted all twelve resolutions and agreed to send military commanders to meet with coalition commanders to formally accept the terms of a cease-fire agreement. Allied commanders informed their Iraqi counterparts that in addition to the conditions presented by Bush, coalition forces would not withdraw from Iraq and Kuwait until Iraq agreed to the destruction of tanks and other military equipment that remained on the battlefield.⁷⁰⁵

The initial reaction in Jerusalem to Bush's suspension of the ground campaign was one of shock. According to Shamir, "the decision was a big surprise," and he and his cabinet ministers, "almost fell out of our chairs," at the rapid cessation of hostilities. While Israel welcomed the added condition concerning the destruction of remaining battlefield equipment, there was concern that Saddam still possessed significant war-making capabilities. Shamir and other Israeli officials expected (although they were not led to believe this by the United States) that the defeat of Iraq would include bringing an end to Saddam's rule.⁷⁰⁶ Allowing Saddam to escape at a time when he was facing the greatest military and political pressure was viewed as a misguided decision.

⁷⁰⁵The New York Times, 1 March 1991.

⁷⁰⁶The Washington Post, 15 January 1995.

The "Israel Card" Revisited

The Bush administration's fervent efforts to keep Israel on the sidelines of the conflict require further examination. The conventional wisdom was that the Arab component of the coalition would have collapsed if Israel intervened militarily. However, statements by officials from several Arab coalition members suggested that the response to Israeli retaliation may not have been as dramatic as the Bush administration suggested.

While Israeli officials repeatedly asserted Israel's right to self-defense, the Shamir government ultimately adopted a policy of non-intervention. This posture was inconsistent with prior behavior and Israeli military doctrine that emphasized pro-active measures such as preemption, punishment (when deterrence failed), and self-reliance. The logic of the deterrence equation is to deter attacks by impressing upon potential aggressors that their losses would far exceed any potential gains. This rationale proved irrelevant to the Gulf War since Saddam's aggression toward Israel was specifically designed to trigger a response. What makes the Gulf War unique in terms of Israeli military history is not that deterrence failed, but that Israel chose not to respond to a direct military attack on its homeland.⁷⁰⁷

During the months of Desert Shield, the Saudis and other Arab coalition members expressed the view to American officials that it would be difficult for them to remain in the coalition if Israel acted in a manner that suggested collusion with coalition forces. Following repeated pronouncements by Iraq that Israel would definitely be attacked in the

⁷⁰⁷Avi Shlaim, "Israel and the Conflict," in Alex Danchev and Dan Keohane, eds., International Perspectives on the Gulf Conflict (New York: St. Martin's Press, 1994), 59.

event of war, a number of private understandings were reached between Arab states and the United States. Specifically, if Israel was the target of an unprovoked attack and responded proportionately the major Arab coalition members would remain in the coalition. When the war began Baker telephoned the ambassadors from Saudi Arabia, Egypt, and Syria to reassure them that the United States would attempt to keep Israel out of the war, but that the President expected their leaders to adhere to their assurances to remain in the coalition.⁷⁰⁸

The first of these private understandings occurred in November in meetings between King Fahd, Prince Bandar, and James Baker, when both the King and Bandar assured Baker that an Israeli strike on Iraq would present "no problem" for Saudi Arabia.⁷⁰⁹ However, the Saudis were not prepared to grant Israel overflight permission to conduct such a mission. According to the U.S. ambassador to Saudi Arabia, after the first missile attack on Israel the Saudis ("as Saudi Arabia rather than as head of the Islamic coalition") made it clear that they understood the pressures Israel was under, and that they would not falter if Israel acted. Saudi Arabia was also a victim of Iraqi Scuds (which resulted in over one hundred deaths) and, "The King fully understood the pressure Israel was under because he had the same problem." On two occasions the Saudis came within thirty minutes of launching their own ballistic missiles in response to the Iraqi Scuds attacks, but were dissuaded from doing so by U.S. officials on both occasions.⁷¹⁰

⁷⁰⁸Baker, The Politics of Diplomacy, 307-08.

⁷⁰⁹Ibid.

⁷¹⁰Interview with Ambassador Chas Freeman, 12 August 1995, Washington, DC.

The Kuwaitis adopted a similar position. When queried by U.S. officials concerning the prospect of Israeli intervention, the Crown Prince assured Baker that if Israel responded to an unprovoked attack by Iraq the Kuwaiti people would understand.⁷¹¹

Egypt supported this position as well. On January 18 the Egyptian ambassador to the United States stated that his country would remain in the coalition if Israel retaliated against the Iraqi attack. "Our position is very solid. We are part of the coalition."⁷¹²

Perhaps the most unlikely Arab reaction came from Syria, where government officials publicly ridiculed Saddam's strategy. The Syrian position was that the missile attacks against Israel were extremely detrimental to the Arab cause and brought no visible benefits. Foreign Minister Farouq al-Sharaa stated that Syria would not engage in a war with Israel even if Israel retaliated against Iraq.⁷¹³ Defense Minister Mustafa Tlas scorned Saddam, "You are free to fight the world alone, but you are not free to claim wisdom and reason."⁷¹⁴ An editorial in the government newspaper Al-Thawra observed that,

Every Arab citizen knows very well that the handful of missiles the Baghdad ruler has fired towards the occupied territories will neither destroy the Zionist enemy, nor liberate any occupied land, nor regain any usurped right.⁷¹⁵

Another editorial observed that Saddam would fail to enmesh other Arab states into a

⁷¹¹Baker, The Politics of Diplomacy, 306-07.

⁷¹²The New York Times, 19 January 1991.

⁷¹³The Times (London), 21 January 1991; The Washington Post, 22 January 1991.

⁷¹⁴Al-Thawra (Damascus) 21 January 1991, cited in Dilip Hiro, Desert Shield to Desert Storm: The Second Gulf War (New York: Routledge, 1992), 326.

⁷¹⁵*Ibid.*

conflict with Israel and added,

If the Iraqi president is determined to fight on, betting on a reshuffling of the cards through firing a few missiles at Israel, then his bet is definitely a lost one.⁷¹⁶

Some observers pointed to the \$2.2 billion in compensation Syria received from Saudi Arabia, the UAE, and the Kuwaiti government-in-exile in explaining Syria's position.

While it is difficult to speculate as to the responses of other members of the Islamic coalition, it is reasonable to argue that a proportional, limited Israeli response to the Iraqi missile attacks would not likely have resulted in the collapse of the coalition. Baker admitted as much when he recalled, "I had been able to secure agreements from all our Arab coalition partners that if Saddam attacked Israel first, and Israel struck back, they would remain firm."⁷¹⁷ However, in the interest of political cohesion and expedience it was logical for the U.S. to adopt a policy aimed at influencing Israel to remain out of the conflict.

Summary

The absence of the Cold War dimension was a new and important political factor during the Persian Gulf War. The episode represented the first instance of U.S.-Soviet cooperation toward mutually supported regional strategic objectives. U.S.-Soviet cooperation was even more significant since the target of the U.S.-led coalition was one of Moscow's closest allies and arms recipients in the Middle East since the 1950s. In

⁷¹⁶Freedman and Karsh, The Gulf Conflict, 1990-1991, 340

⁷¹⁷Baker, The Politics of Diplomacy, 385.

terms of the U.S-Israel relationship, the absence of the Cold War dimension did not have a direct impact on the patron-client relationship, although there were indirect impacts such as the massive influx of Soviet immigrants to Israel.

The successful use of incentives by the U.S. was the primary means of influence during this episode, and therefore the incentives model best characterizes this case. Specific incentives and rewards included the granting of additional economic and military assistance, the release of \$400 million in loan guarantees (previously a source of bilateral tension), and the transfer of Patriot batteries to help defend Israel from missile attacks.

The United States exercised the preponderance of influence in the bilateral relationship during this episode, particularly in terms of encouraging Israeli leaders to show restraint by not responding to Iraqi missile attacks. Israeli decision makers admitted that American influence was a very important factor in their strategic calculations, and substantially contributed to Israel's decision to show restraint. However, it is important to not exclusively attribute Israel's restraint to U.S. influence. Israeli leaders decided that their national interests were best served by not retaliating against Iraq after taking numerous political and military factors into consideration. These factors included: relatively low Israeli casualties; Iraq's decision not to use chemical or biological weapons; the military logistics required for intervention; and the potential negative impact of unilateral Israeli action on the U.S.-led coalition.

In contrast to the successful use of U.S. influence, Israeli leaders often found themselves marginalized and frustrated by their inability to successfully influence the U.S. Israel's influence attempts included: pressing the U.S. to dedicate greater resources

toward neutralizing Iraqi Scud launches; obtaining current U.S. satellite reconnaissance imagery; obtaining meaningful military coordination; and obtaining the levels of compensation they felt entitled to given their cooperation and restraint during the conflict.

In response the U.S. refused to supply the reconnaissance imagery, refused to forgive \$4.5 billion in outstanding debt, and refused to provide meaningful military coordination.

When military coordination did occur it was often used as a delaying tactic or bargaining chip to encourage Israeli restraint. Although Israel ultimately received incentives and rewards for its restraint, this compensation was only a small portion of what Israeli leaders sought from the U.S.

Chapter Six

Conclusion

This study examined the politics of patron-client state relationships, and utilized the U.S.-Israel relationship as a case study. Specifically, this study examined the dynamics of influence between patron and client to determine whether these relationships are primarily coercive or persuasive in nature. The study also examined the direction of influence between patron and client, specifically who influences whom. The study tested the utility of two models (coercion and incentives) to determine which model more accurately reflects the dominant pattern of patron-client influence.

The Case Study

The U.S.-Israel relationship proved to be an excellent case study for the examination of patron-client influence. The case study was divided into three periods (1948-60, 1961-76, and 1977-92) (see Chart 6-1). This approach facilitated comparisons between periods as the patron-client relationship developed and as patterns of bilateral influence emerged. The scope of the examination included strategic, military, political and economic relations and assistance, bilateral trade, responses to regional events and

influence episodes in the bilateral relationship.

During the first period (1948-60) bilateral interaction was limited to episodic contacts largely in response to regional events. Israel's efforts after 1950 to develop closer relations with the U.S. were resisted by the Truman and Eisenhower administrations. For example, Israel's efforts to initiate minimal bilateral cooperation through the pre-positioning of military supplies in Israel for possible use by U.S. forces were resisted by Washington.⁷¹⁸ Geopolitical realities caused some in the U.S. government to gradually view Israel as a potential counterbalance to Soviet political and strategic advances in the Arab world, particularly after the 1955 Czech-Egypt arms deal. Nevertheless, the U.S. kept Israel at arms length throughout most of the period. The resource transfer relationship was also limited, and the minimal transfers that occurred were primarily in the form of economic and humanitarian assistance.

The 1956 Sinai War was the most significant event of this period in terms of bilateral influence. Some in the Eisenhower administration viewed Israel's military performance as evidence of Israel's potential value to U.S. regional interests, while others saw the episode as an example of the destabilizing effect Israel had on regional politics. The successful use of coercive influence by the U.S. to compel Israel to withdraw from Sinai included the use of threats and sanctions.

The coercion model more accurately characterized the bilateral influence relationship during this period. There were three significant episodes where the U.S.

⁷¹⁸Pre-positioning of U.S. military supplies in Israel was eventually included as a component of the Memorandum of Understanding on Strategic Cooperation reached between the U.S. and Israel during the Reagan administration.

attempted to influence Israel through the use of coercion, with one success. In contrast, there were no influence episodes that were consistent with the incentives model.

Influence predominantly flowed from the patron to the client during this period. Although coercive influence attempts were unsuccessful in two out of three instances in which the U.S. employed them, coercive influence proved to be successful in the Suez crisis, which was the most important episode in terms of U.S. and Israeli national interests. Despite several influence attempts during this period, there were no significant examples of Israel successfully influencing U.S. policy on issues of importance to Israel.

Elements of the patron-client relationship began to emerge during the second period (1961-76). Bilateral linkages significantly expanded in the political, military and economic realms. The most significant change in the relationship occurred in 1970 when the U.S. emerged as Israel's primary military supplier and assistance provider, which was an important departure from the prior U.S. policy of encouraging Israel to seek military equipment from European suppliers. By the end of this period the U.S. had become Israel's sole external provider of critical combat systems (e.g., aircraft and armor). Beyond military sales, a military assistance relationship emerged under the terms of which a large portion of the military transfers eventually took the form of grants rather than loans. Economic assistance also increased more than ten-fold during this period, and there were similar increases in the volume of bilateral trade.

This period was mixed in terms of the use of coercion and incentives as influence tools, and there was evidence to support both models. However, as the period progressed and the patron-client relationship emerged, incentives based influence became more

common and more successful than coercive influence. Significant coercive influence attempts by the U.S. included efforts to obtain explicit Israeli political support for U.S. policies in Vietnam, and the “reassessment” episode in 1975. In both episodes the coercive influence attempts were unsuccessful. U.S. influence in the reassessment episode ultimately proved successful following a shift by the U.S. to the use of incentives.

The balance of influence during this period continued to favor the U.S. rather than Israel. Repeated Israeli influence attempts aimed at obtaining security guarantees from the U.S. were unsuccessful, even at a time when Israeli political and military leaders expressed concern for the survival and security of the state prior to the June 1967 war. American decisions to expand military transfers to Israel were less a result of successful Israeli influence than they were a product of U.S. strategic assessments that these transfers served the interest of promoting regional stability and reduced the prospect of U.S. military intervention, particularly at a time when U.S. forces were already engaged in Southeast Asia. The Vietnam episode demonstrated that there were limits to American influence over Israel, particularly with regard to the use of coercive diplomacy. However, American successes in advancing the peace process illustrated that with the use of incentives the U.S. could influence Israel despite its resistance, even when important national interests were at stake for Israel.

The relationship continued to expand during the third period (1977-92), and included new and unique dimensions of bilateral cooperation. Political, economic, and military relations became more routine with familiar patterns of interaction. Resource flows continued to expand from the previous period and became a central feature of the

relationship. Among the most significant changes in the resource transfer relationship during this period was that all military and economic assistance began to take the form of non-repayable grants, rather than a mix of loans and grants. Additionally, special mechanisms were created during this period to manage specific aspects of the patron-client relationship such as military and economic cooperation.

There were few instances of coercive influence during this period, and the pattern of influence supports the incentives model. Even in times of difficulty in the bilateral relationship, such as during the Lebanon and Lavi episodes, incentives were the primary means of successful influence. Similar to the first two periods of this study, during this period the U.S. continued to exercise the preponderance of influence. There were several important examples of successful American influence in which incentives were used as influence tools. These successful influence attempts included: the Camp David negotiations process and the subsequent Egypt-Israel Peace Treaty; the economic austerity and reform plan; the cancellation of the Lavi program; the Madrid Conference and subsequent bilateral negotiations; and the \$10 billion in loan guarantees.

In contrast to the successful use of U.S. influence, Israel's attempts to influence U.S. policies were less successful, particularly with regard to the peace process and military transfers to Arab states. The most significant attempt to influence the U.S. occurred with regard to the 1981 AWACS sale to Saudi Arabia. Arguably, no episode in the history of the bilateral relationship surpassed the effort Israel undertook to influence U.S. policy within the executive and legislative branches. Despite its dramatic efforts, Israel's influence attempt failed. Israel also attempted to block a sale of military aircraft

to Saudi Arabia in 1978 in what proved to be a preview of the AWACS episode. Israel's influence attempt in this episode was unsuccessful, just as it would prove to be three years later. A third failed influence attempt occurred in 1998 when Israel tried to reverse a U.S. offer to open a dialogue with the PLO under specified conditions. A fourth example occurred in 1991 when Israel sought \$10 billion in loan guarantees. The U.S. expressed its willingness to provide the guarantees contingent upon a resumption of the peace process and an Israeli commitment to freeze new settlements in the occupied territories. Israel agreed to the former but not the latter condition, and initiated an influence campaign to obtain the guarantees in defiance of the Bush administration. The influence attempt failed in what proved to be a very unpleasant episode.

The Persian Gulf War was the most significant event in the bilateral relationship during this period. This was an especially critical episode in the patron-client relationship since both the U.S. and Israel had vital national interests at stake. For Israel this was a particularly challenging episode since it was drawn into a military conflict largely as a hostage rather than as a participant, yet was expected to show unprecedented restraint as its population centers came under attack.

The successful use of incentives was the primary means of patron-client influence during this episode, and there were no identifiable instances of U.S. coercion. This important episode provides additional evidence to the utility of the incentives model as the preferred model for understanding patron-client influence. The U.S. exercised the preponderance of influence during this episode, particularly in terms of encouraging Israeli leaders to exercise restraint by not responding to Iraqi missile attacks. In contrast

to the successful use of American influence, Israeli leaders often found themselves frustrated by their relative inability to influence the U.S. to respond favorably to various military, intelligence, and financial requests.

Chart 6-1. Summary of the U.S.-Israel Relationship Using the Patron-Client Framework

Patron-Client Attributes	Period I 1948-60	Period II 1961-76	Period III 1977-92
Power Resources (client)	Limited.	As capabilities increase, client achieves some self-sufficiency and gradually emerges as a regional power.	Established regional power, yet remains reliant on the patron for important power resources (military, economic, etc).
Security Capabilities (client)	Client is unable to guarantee own security. Seeks external assistance from great powers.	Client is unable to guarantee own security. Seeks and receives external assistance from great powers and eventually from a single patron.	Client possesses indigenous capabilities developed with patron assistance, and continues to receive substantial assistance and security assurances.
Security Environment (client)	Hostile and unstable.	Hostile and unstable.	Hostile and unstable; evolving threat from conventional warfare to asymmetric warfare including weapons of mass destruction.
Costs and Benefits	Limited relationship with few common costs or benefits.	Increasing resource transfers from the patron to the client.	Patron absorbs most of the costs, the client absorbs most of the benefits.
Security Transfers	Virtually none.	Expanded rapidly quantitatively and qualitatively.	Extensive and regularized transfers from patron to client.
Character of the Relationship	Routine with limited points of interaction.	Expanding informal relationship with growing linkages in political, economic, and security matters.	Extensive multi-level relationship, yet not formalized through treaty or similar instrument.
Durability of the Relationship	Transient	Durable	Durable

Findings

This study found that patron-client relationships were not previously, and are not presently, a consequence or byproduct of Cold War politics as some previous studies argue. A decade has passed since the end of the Cold War, and numerous patron-client relationships continue to survive and thrive in the present international system. Although Cold War politics and strategic competition may have been intervening variables at times in the Middle East regional environment over the course of this study, the complex U.S.-Israel relationship cannot adequately be defined or explained solely as a byproduct of Cold War rivalry. By examining the dynamics of patron and client influence, this study moved beyond Cold War analytical models that focused heavily on superpower competition to describe and explain these relationships.

This study examined and compared two models of patron-client interaction, the coercion and incentives models, in terms of their ability to accurately describe and explain patron-client influence dynamics. The central dispute between these models involves the assessment of the means and outcomes of influence attempts. The respective assumptions and expectations of each model contribute to different expectations in the patterns of influence between patron and client. Briefly, the coercion model expects to find patrons exploiting their greater power resources as effective leverage and influence with their clients. In comparison, the incentives model expects to find the use of incentives-based accommodative bargaining as the primary means of patron influence.

It is important to note (as discussed in Chapter One) that the coercion and incentives models are not mutually exclusive, and elements of both can at times be found

in patron-client relationships. Episodes of patron coercion were identified during the first two periods of the case study (1948-76), but the use of incentives as the primary means of successful influence was more common during the last two periods (1961-92).

Chart 6-2. Patron Influence Attempts (U.S. to Israel)

Period	Event	Influence Method	Influence Outcome
I	Attempt to postpone statehood announcement	Coercion	Failure
I	Jordan River diversion project	Coercion	Failure
I	Withdrawal from Sinai	Coercion	Success
II	Vietnam	Coercion	Failure
II	Reassessment policy	Mixed	Success
III	Camp David and Egypt-Israel Peace Treaty	Incentives	Success
III	Lavi	Incentives	Success
III	Economic austerity plan	Incentives	Success
III	Madrid Conference and bilateral negotiations	Incentives	Success
III	Loan guarantees (91-92)	Incentives	Success
III	Persian Gulf War: Restraint to Scud attacks	Incentives	Success

In the assessment of which model is stronger, this study found that the incentives model offers greater utility for describing and explaining the successful use of influence between patron and client. Among other things, the incentives model emphasizes the importance of the broader relationship to both patron and client, rather than either side maximizing bargaining outcomes in a specific dispute. Both sides pursue an outcome that satisfies some or most of their interests through compromise based on objective criteria that both sides accept as fair. The relationship is defined by continuity covering a range of interactions, and bargaining represents the means of communication designed to promote a satisfactory exchange.⁷¹⁹ This study found that communication occurs in the

⁷¹⁹Yaakov Bar-Siman-Tov, Israel, the Superpowers and the War in the Middle East (Boulder, CO:

familiar context of cooperative bargaining in which agreement is reached through a complex, but informal, exchange of favors and resources. Both sides seek what Schelling refers to as "mutually profitable adjustments" as part of an ongoing communicative process in which the parties attempt to influence each other's decisions.⁷²⁰

In addressing the question of who influences whom, this study found that the dominant flow of influence is from the patron to the client, rather than the reverse. There were examples of successful patron influence in each of the periods (see Chart 6-2). When viewed cumulatively, these episodes constitute a pattern of successful U.S. influence over Israel. In comparison, the study did not illustrate a pattern of Israel successfully influencing the U.S. (see Chart 6-3). Quite the contrary, the study illustrates that the U.S. was repeatedly effective at insulating itself from Israel's influence attempts.

Chart 6-3. Client Influence Attempts (Israel to U.S.)

Period	Event	Influence Method	Influence Outcome
I	Military transfers	Incentives	Failure
I	Strategic cooperation	Incentives	Failure
II	Security guarantees	Incentives	Failure
II	Military transfers	Incentives	Success
III	Military sales to Saudi Arabia	Coercive	Failure
III	AWACS	Coercive	Failure
III	U.S. dialogue with the PLO	Coercive	Failure
III	Loan guarantees (91-92)	Coercive	Failure
III	Persian Gulf War: military coordination	Mixed	Failure
III	Persian Gulf War: satellite reconnaissance	Mixed	Failure
III	Persian Gulf War: \$4.5 billion debt relief	Mixed	Failure

Praeger, 1987), 12.

⁷²⁰Schelling, The Strategy of Conflict, 21. He refers to this as the efficiency model of bargaining.

A number of expectations were identified in association with the incentives model (Chapter One). If the incentives model accurately describes patron-client influence dynamics, we expect to see repeated instances of cooperative, non-zero sum bargaining in which both the patron and client seek to achieve their respective objectives without threatening, imposing, or suffering unacceptable costs. These expectations were met, particularly as the relationship develops into a patron-client relationship. We expect to see the use of positive inducements rather than coercion or threats of punishment as the primary method of patron influence. These expectations were also met, particularly with regard to the second and third periods of the case study. Consequently, the evidence collected in this study supports the hypothesis associated with the incentives model. Specifically, when a patron successfully influences a client it is more likely to be the result of providing incentives and rewards to achieve compliance than as a result of coercion.

In contrast, there was relatively little evidence to support the expectations associated with the coercion model. The expectations associated with coercive influence methods include threats of punishment, resource manipulation, and instances of punishment for non-compliance. If the coercion model accurately illustrates patron-client influence dynamics, a pattern of successful coercion attempts employing these methods should have been apparent over time. Such a pattern was not identifiable in this study. Although there were occasional instances of coercive influence attempts by the patron, these attempts were generally unsuccessful. Consequently, the hypothesis associated with

the coercion model, namely that when the patron seeks to influence client's decision-making it primarily uses coercive methods to achieve its objectives, is not confirmed by this study.

Among the coercion model's shortcomings is that it produces an incomplete picture of patron-client relations. The model isolates coercion attempts and generalizes a pattern from these atypical episodes. Previous studies that utilize a coercion model often produce a counterintuitive explanation of the patron-client relationship as an example of the weak bullying the strong. While there were instances of client resistance to patron coercion, this does not necessarily mean the client exercises disproportionate influence.

Another important deficiency in the coercion model is that it fails to account for the durable nature of patron-client relations. The fact that both parties value the relationship means that the survival and well being of the relationship is more important than maximizing gains in specific disputes. This feature illustrates an important characteristic of patron-client bargaining. Lebow identifies two distinct bargaining strategies: competitive and accommodative. The competitive strategy includes the use of coercion as an element of bargaining. Coercion is more likely to occur in competitive relationships where both parties seek the best possible deal, and the terms of the deal are viewed as important as the broader relationship. In this bargaining equation one party may have the capability and willingness to impose its will due to its greater power resources, a bargaining advantage, or asymmetric interests. However, coercion is less likely in relationships where neither side is seeking to maximize its gains at the possible

expense of damaging the broader relationship.⁷²¹ Since the broader relationship is of considerable value to both parties, accommodative bargaining is more commonly found in patron-client relationships.

When patron influence is successfully applied it is rarely the result of coercion, exploitation of the asymmetric power relationship, or exploitation of the resource transfer relationship. Instead, the patron is more likely to influence the client through an informal but familiar bargaining process that features the granting of incentives and rewards for compliance. The case study illustrates that this model held true even in instances when the client had important national interests at stake.

The durability of patron-client relationships indicates that these relationships will remain a salient feature in international politics. Earlier studies of patron-client relations that argued these relationships were solely a product of superpower competition during the Cold War have been proven inaccurate. The continued presence of these important relationships in international politics reflects the durability of the bilateral linkages that exist, and the continuing desire by the patron and client to protect and advance common interests and objectives.

Policy and Research Implications

This study's findings carry policy implications for the conduct of patron-client relations, both from the perspective of the patron and the client. Additionally, future studies can build upon the research performed in this study by further examining

⁷²¹Richard N. Lebow, The Art of Bargaining (Baltimore, Johns Hopkins Press, 1996), x.

theoretical and empirical questions and issues associated with patron-client relations.

Policy Implications

This study illustrates that patron-client relationships were not a solely byproduct of superpower competition and the pursuit of regional allies. These relationships are an important sub-group of alliances, and the durability of these relationships suggests that they will remain a continuing feature in international politics and foreign policy.

One of the central policy implications this study illustrates is that the use of incentives is an effective tool for patrons to exercise influence over clients. In order to be effective, it is necessary for patrons to skillfully identify the incentives that will produce the greatest likelihood of success, while balancing the scope of the incentives offered with the relative importance of the successful outcome of the influence attempt. As the Persian Gulf War illustrated, there must be limits to patron largesse, even in cases where the patron views client compliance as a high priority. In order to maximize the prospect of achieving a “win-win” outcome, clients should exercise caution to not make demands that appear to represent political blackmail, and patrons should avoid the appearance of pandering to their client. In other words, patrons and clients should be judicious in determining when, how, and for what purpose they exercise their influence, consistent with a practical assessment of the likelihood of success.

In its effort to identify appropriate incentives, patrons should recognize that incentives may or may not be directly relevant to the specific influence attempt in question. For example, in its attempt to influence Israel to remain on the sidelines of the

Persian Gulf War, the U.S. employed a combination of incentives relevant to the immediate problem (e.g., providing and operating Patriot missiles), and incentives that addressed other issues that were less relevant to the immediate problem (e.g., loan guarantees for the resettlement of Soviet Jews).

This study illustrates that the use of coercion as an influence tool is not particularly effective, and therefore both patrons and clients should avoid its use. Coercion by the patron rarely achieved its objective, and generally caused the client to respond negatively to the influence attempt. Coercive influence is even less of a promising option for clients due in large measure to patrons' ability to insulate from such influence. Additionally, in instances where coercion is successful, the coerced state can be expected to seek to reduce the vulnerability that made them susceptible.

This study illustrates that patrons have the potential to exercise the balance of influence over their clients through the effective use of incentives. However, effective political leadership and diplomatic skill are required to translate incentives into influence. Effective communication is also necessary to ensure both sides have a clear understanding of the outcome necessary to achieve agreement. Notwithstanding the pattern of successful patron influence illustrated in this study, there will be instances in which clients resist patron influence due to the importance of the issues and interests at stake. Such events should not automatically be viewed as a failure of patron influence, rather as the recognition that clients function as sovereign states in an international system that continues to be defined largely by the protection and advancement of national interests as perceived and defined by states and their leaders. A systematic study of failed

influence attempts might produce interesting results that could provide insight into identifying a pattern common to influence failures.

Questions for Future Research

This study distinguished a group of relationships in international politics and examined their characteristics and dynamics of influence. Although this study examined the U.S.-Israel relationship, future studies of patron-client relationships can utilize the research framework developed in this study and apply it to other cases. The research methodology utilized in this case, specifically the use of a critical case with comparison across historical periods, can also be applied to studies of other patron-client relationships. This research approach contributes toward the generalizability of the methodology and to the expectation of consistency of findings. Namely, we expect to see similar patterns of interaction in other patron-client relationships as was identified in the U.S.-Israel case.

Future research can build upon this study's theoretical and empirical findings by continuing to examine specific dynamics of patron-client influence. A number of research questions remain to be addressed that go beyond the issues addressed in this study. For example, can clients improve their bargaining leverage, or decrease their vulnerability to patron influence? If so, how? Is there a point of diminishing returns for clients in terms of maintaining the relationship? Specifically, is there a point at which patron influence and constraints outweigh the benefits of maintaining the relationship? Under what conditions might we expect to see the termination of a patron-client

relationship?

While this study examined two democratic, pluralistic states, future research might examine a patron-client relationship between non-democratic states. Specifically, does the political orientation of the patron and client affect the dynamics of the patron-client relationship? If yes, how?

These and other research questions offer new and potential fruitful avenues of inquiry to continue to improve our knowledge and understanding of these important relationships in international politics.

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