



## U.S. Security Assistance to Israel

By Joseph Yackley

The violence of the past eight months between Israelis and Palestinians has left 500 people dead, torpedoed the peace process, and turned the streets of the West Bank and Gaza Strip into battlefields. As the U.S. reconsiders its role in promoting Israeli-Palestinian peace, the prospects for a final settlement—described last year as better than ever—seem worse than ever. In reference to

the ambitious approach taken by former U.S. President Bill Clinton, the Bush administration has emphasized “assistance” over “insistence.” Unfortunately, rather than focusing on addressing the issues that have derailed the peace process, American assistance is emerging as a disjointed policy that urges a peaceful resolution to the conflict while boosting military aid to Israel.

The increases in military aid grow out of a central pillar of U.S. policy in the Middle East: strengthening America’s “strategic cooperation” with Israel. This cooperation currently

centers around two categories of U.S. military-related assistance to Israel, Economic Support Funds (ESF) and Foreign Military Financing (FMF). The larger of these two, FMF, is intended to help Israel finance its acquisition of U.S. military equipment, services, and training and will total \$1.98 billion in 2001. FMF is scheduled to increase by \$60 million each year as part of an ongoing plan to phase out ESF support by 2008. If Israel would conclude peace agreements with Syria and the Palestinians, this increased FMF support combined with U.S. pledges to satisfy Israel’s stated financial requirements for withdrawing from the Golan Heights, the West Bank, and the Gaza Strip will total more than \$50 billion in U.S. military aid by 2008.

Already the strongest military power in the region and the largest recipient of U.S. foreign aid, Israel does not need additional military assistance. It has one of the most sophisticated, well-equipped, and best-trained armies in the world, and its armed forces are growing faster than that of its neighbors, whose military expenditures decreased during the 1990s. Israel’s annual military expenditures are consistently two to three times as high as those of other countries involved in the Arab-Israeli conflict, and Israel leads the region in the number of heavy weapons holdings, armored infantry vehicles, airplanes, and heavy tanks. Israel outpaces Syria, Iraq, Iran, and Lebanon in every major category of arms spending.

The world’s fifth-largest importer of major weapons in 1999, Israel is also the region’s largest and the world’s sixth-largest exporter of arms and military technology, with billions of dollars of sales to 61 different states, including potential U.S. adversaries like China. Israel is the only country in the Middle East to both develop and produce its own surface-to-surface missiles, combat aircraft, and tanks. Finally, beyond its overwhelming advantage in weaponry, Israel’s military boasts superior technology and capabilities in communications, intelligence gathering, logistics, training, organization, maintenance, and mobility.

A careful review of FMF assistance reveals that this program has actually hindered the resolution of the Arab-Israeli conflict, made the Middle East more volatile, and undermined U.S. regional interests. If the purpose of the FMF program is to improve Israel’s security, the U.S. should reverse its increasing emphasis on military assistance and replace outdated, one-dimensional ideas about Israel’s security with a more extensive definition. Taking into account important nonmilitary aspects of Israel’s security would enable the U.S. to complement its current policy with a variety of alternative strategies designed to identify and address the causes of conflict before they explode into violence.

Although a conclusive Israeli-Palestinian peace accord must rest on a long-term political resolution to the conflict, the causes of the current violence are not strictly political and must be addressed before final-status negotiations can begin. One of the primary grievances of the current Palestinian uprising is the worsening economic situation in the Occupied Territories, due in large part to Israel’s prolonged exploitation of Palestinian water sources. Given the Palestinian economy’s heavy reliance on agriculture, Israel’s water policies have aggravated already-desperate Palestinian living conditions, undermining Palestinian support for the peace process and damaging the Palestinian Authority’s ability to quell popular uprisings.

A more comprehensive definition of Israel’s security would bear in mind the detrimental effects that Israel’s water policies have on regional security, allowing the U.S. to designate a small amount of FMF assistance for the development of water projects designed to reduce Israel’s reliance on Palestinian water resources. Greater access to water sources would improve Palestinian economic prospects and diminish the likelihood of water being a source of future conflict, providing an example of how U.S. security assistance could be applied to improve Israeli security without increasing military transfers or threatening Israel’s neighbors.

### Key Points

- With influence comes responsibility. The U.S. should not undermine the peace process it has helped design by arming Israel in preparation for further conflict.
- Increases in U.S. military assistance are based on the unreasonable claim that Israel grows less secure with each peace treaty it signs.
- The U.S. should adjust its approach to resolving the Israeli-Palestinian conflict by seeking innovative ways of addressing the causes of conflict.

# Problems with Current U.S. Policy

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The violence that erupted last September highlights some important points about Israel's security. First, the challenge for Israel has not been to protect its existence but rather to restrain its considerable military might in order to avoid international criticism. Second, despite the heightened sense of vulnerability stirred by the Palestinian uprising, by attacks on Israeli settlers, and by Arab condemnation of Israel's policies, Israel's neighbors have not threatened Israeli territory. Finally, despite their country's clear advantage in the size and quality of its military arsenal, Israelis still do not feel secure on a personal, individual level.

This paradox of personal insecurity in the face of overpowering military strength stems from an important distinction within Israeli security that is not being addressed in Washington's FMF assistance program to Israel. There are two levels of Israeli security—the macro, or national, level and the micro, or personal, level. The state of Israel is extremely secure in this first sense. Since its declaration of statehood and overwhelming military victory in 1948, Israel has not been attacked within its internationally recognized borders. Peace agreements with Arab neighbors, cooperation with regional powers such as Turkey, and decades of U.S. military assistance have combined to create a secure Israel. At the same time, Israeli citizens continue to be the target of terrorist attacks and violent uprisings, inducing a sense of personal insecurity.

Billions of dollars in U.S. military assistance to Israel are spent each year addressing the wrong type of security. What's worse, FMF assistance has undermined personal security in Israel by diluting the incentives for seeking peace and by emboldening Israel to avoid making the concessions necessary for peace. Until the underlying causes of the conflict and the current uprising are addressed, Israelis will continue searching for the sense of personal security that eludes them today.

The current violence grows out of Palestinian frustrations with the peace process. During years of waiting for promised benefits, Palestinians have seen their standard of living steadily decline. Because of Israeli policies—including border controls, retention of Palestinian funds, and restrictions on trade, investment, and access to water resources—Palestinians face growing trade and budget deficits. The anger and despair that have ignited the recent violence stem from these policies and their effect on daily Palestinian life. Unemployment hovers at 50%, poverty rates have increased, health standards have deteriorated, and any sense of opportunity among Palestinian youth has faded. The longer these dire conditions persist, the more popular support extremist groups like Hamas enjoy and the less secure Israelis feel.

For years, the majority of Palestinians have viewed negotiated peace as the most reasonable means to achieve their aspirations for an independent state. Still, Palestinians blame the failure of the Oslo peace process on provocative Israeli policies, including the continued occupation of the West Bank and Gaza Strip, the expan-

sion of settlements, and the building of exclusive roads and security checkpoints to establish permanent control over Palestinian territory. Washington has thus far been unwilling to pressure Israel to curtail these illegal activities. This unwillingness, coupled with increased U.S. military aid, supports and enables Israel's violations of international law and leads many Palestinians to question the wisdom of pursuing a peace framed and sponsored by the United States. Many Palestinians see negotiation as empty promises and have begun seeking other means—some violent—of obtaining a homeland. As a result, a sense of insecurity grows within the Israeli population and is fostered by the very policies that the U.S. and Israel pursue in the name of promoting Israeli security.

In addition to weakening U.S. credibility as a neutral mediator, massive increases in military assistance to Israel undermine U.S. attempts to limit the spread of weapons of mass destruction in the region. This can be seen in a commendable—yet ultimately damaging—initiative in the early 1990s, when Jordan downsized its military and proposed linking further military cutbacks in the region to debt reduction. The U.S. resisted the suggestion and continued arms transfers to Israel at record levels. Following the 1994 peace deal between Jordan and Israel, Jordan's relative military weakness was cited by other Arab states as the major reason for its inability to extract more concessions from Israel. The lesson was clear: The American-Israeli military relationship makes unilateral disarmament in the Middle East fruitless, even counterproductive.

Washington has yet to recognize the hypocrisy of promoting an ever-stronger Israel while citing Iraq's possession of weapons of mass destruction and its failure to adhere to UN resolutions—charges of which Israel is also guilty—as reasons for subjecting the Iraqi population to more than a decade of sanctions. In fact, states like Iran, Iraq, and Syria view the development and acquisition of chemical and biological weapons as a counterbalance to Israeli weapons acquisitions. They see in Israel an aggressive, expansionist power that has occupied a piece of every country it borders. Furthermore, Israel's refusal to sign the 1968 Nuclear Non-Proliferation Treaty, its maintenance of nuclear weapons and the means to deliver them, its disregard for international law, and its emphasis on preemptive military strikes, mobile weaponry, and quick-strike capabilities all reinforce this sentiment in a region with a historical tendency to solve disputes through violence.

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## Key Problems

- By ignoring the security ramifications of its Foreign Military Financing program, Washington is undermining both regional security and the overall personal security of most Israelis.
  - U.S. military assistance to Israel fails to address the causes of conflict and subverts the peace process by both enabling and rewarding Israeli defiance of international law.
  - With the FMF program, the United States is spending an enormous amount of diplomatic, political, and strategic capital on a policy that is bearing the opposite of its intended effects.
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# Toward a New Foreign Policy

Israel's overwhelming military strength ensures its national security and affords the U.S. the luxury of exploring new strategies to address Israeli personal security concerns. One scenario involves designating a small portion of current FMF monies as nonmilitary security assistance to address the underlying causes of rancor rather than preparing for armed conflict.

The worsening economic conditions in the Occupied Territories can in part be traced to restrictive Israeli

water policies. Israeli expropriation of Palestinian ground water (and continued restrictions on Palestinian access to it) guarantees sufficient water for Jewish settlers, who consume five to six times as much water per capita as Palestinians. The meager amount of water left for Palestinians has a higher salt content, increasing soil salinity and reducing Palestinian crop yields, despite improvements in agricultural technology.

Given the importance of water to a Palestinian economy heavily dependent on agricultural production, the insufficient quantity and poor quality of water available to Palestinians represents a potentially dangerous source of conflict. Without

an increase in water quotas, Palestinian economic development is severely hampered. Hydrologists estimate that 1,000 cubic meters per person per year is the lowest level at which agricultural and industrial development is still viable. Per capita water consumption for Palestinians in the Gaza Strip is a mere 137 cubic meters per person per year. Without more equitable water distribution policies, high Palestinian birth and immigration rates will further lower Palestinian living standards, already among the worst in the world. In such an event, popular Palestinian support—critical for a negotiated final peace with Israel—will quickly evaporate.

Both Israel and the Palestinians have long understood water's security importance, designating it as a final-status issue on a par with Jerusalem, borders, settlements, and refugee rights. The geographical extent of Israeli occupation in Lebanon, the Golan Heights, and the West Bank was in part determined by access to water resources. As recently as March, three Israeli officials—Israel's minister for infrastructure, a former military chief, and an aide to

Israeli President Ariel Sharon—mentioned the prospect of "a water war" in connection with a Lebanese village's decision to extract water from a local river.

Fortunately, water availability, unlike other final-status issues, can be addressed through U.S. assistance. Earmarking \$250 million annually in FMF assistance to finance Israeli water projects—such as the development of the recently identified Negev aquifer, wastewater recycling and desalination plants, and new irrigation technology—would release an additional 400 million cubic meters per year of water for Israeli use. Congressional approval of this money should be linked to an equal reduction of Israeli water extraction from nonindigenous sources, providing Palestinians with an additional 170 cubic meters per person per year and greatly expanding the prospects for Palestinian agricultural and industrial growth.

Over the next six years this water initiative would cost \$1.5 billion, less than 3% of projected levels of U.S. assistance to Israel. Projects to promote regional cooperation could also be financed through this shift, including a planned wastewater recycling and desalination plant in the Eilat/Aqaba/Taba region and the development of the Jordan River Valley, Dead Sea, and Arawa regions.

These types of projects would bolster Israel's security and enable the U.S. to realign its policies with its stated foreign aid objectives, which include poverty reduction, promoting sustainable economic growth, increasing agricultural productivity, and contributing to a higher quality of life through environmental health. Future uses of U.S. security assistance could include promoting economic interaction in the region through increased trade, joint development projects, and integrated energy generation and distribution projects, thus encouraging peaceful cooperation by increasing interdependence among the states in the region and thereby heightening the costs of conflict.

Originally designed to promote Israel's security, the FMF assistance program has become antiquated and counterproductive, based on an overly narrow view of Israeli security. A modest, FMF-financed water initiative is one way that the U.S. could refocus its efforts toward a more comprehensive and effective security strategy while avoiding the pitfalls of armament and helping to secure a stable and prosperous peace.

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## Key Recommendations

- Rather than spending billions of dollars preparing Israel for conflict, the U.S. should focus on addressing the causes of conflict.
- To restore confidence in negotiated peace, Washington must emphasize regional security and reject both Israel's illegal land occupations and the economic interests of the U.S. arms industry.
- As part of a new approach to Israeli security issues, Congress should earmark a small amount of FMF assistance to finance Israeli water projects, with an eye toward increasing Palestinian access and supply.

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