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NEXT STEP IN THE SPECIAL RELATIONSHIP: A U.S.-ISRAEL DEFENSE COUNCIL

(Updating Backgrounder No. 521, "America's Security Stake in Israel," July 7, 1986.)

United States-Israeli relations today are probably better and closer than they ever have been. Not only is Israel the biggest recipient of U.S. aid and able to purchase a wide array of American arms, but Jerusalem and Washington cooperate on a vast number of issues more intimately than at any time in history. During the Reagan Administration, the Israeli-American relationship has been upgraded from that of a close friend to that of a strategic partner and *de facto* ally. A wide variety of *ad hoc* bilateral arrangements have sprung up to solidify this special Israeli relationship with the U.S. It now is time, therefore, to consolidate these growing linkages by establishing a permanent U.S.-Israel Defense Council. This would serve the interests of both countries and strengthen deterrence against Soviet threats without threatening important U.S. strategic interests in the Arab world.

In October 1983, Ronald Reagan signed National Security Decision Directive 111 which set guidelines for closer U.S. cooperation with Israel. One month later a Joint Political-Military Group (JPMG) was established to coordinate U.S.-Israeli military exercises, security planning, and the prepositioning of U.S. military equipment in Israel. The two countries signed a Free Trade Agreement in 1984 that eventually will give each country tariff-free access to the others goods.

Banner Year. In 1985 a Joint Economic Development Group was established to facilitate bilateral discussions on Israel's economic problems. This was followed in 1986 by the establishment of a Joint Security Assistance Group to provide a forum for the discussion of aid issues. That year too, Israel agreed to participate in the research and development of the U.S. Strategic Defense Initiative (SDI) along with West Germany, Great Britain, and Italy.

Last year was a banner year in the evolving special U.S.-Israeli relationship. Israel was designated a major non-NATO ally in January 1987, along with Japan, Australia, South Korea, and Egypt. In March, Israel agreed to the construction of a Voice of America relay transmitter in Israel to broadcast to the Soviet Union. And last December, Secretary of Defense Frank Carlucci and Israeli Defense Minister Yitzhak Rabin signed a memorandum of understanding that allows Israel to bid for U.S. defense contracts on the same basis as NATO allies.

Battle-Tested Military Technology. Israel offers the U.S. much. It is a reliable military ally, a source of hard-earned military intelligence on Soviet weapons systems, access to air and naval bases in the strategically important eastern Mediterranean, a prepositioning site for fuel, medicine, ammunition and weapons, and a fount of technical innovation. Israeli military sales to the Pentagon rose from \$9 million in 1983 to \$209 million in 1986 and approximately \$300 million in 1987. They are expected to continue climbing steadily due to Israel's track record of providing reliable, battle-tested off-the-shelf military technology.

At a time when the U.S. is trimming its defense research and development, Israel's low-cost, no-frills approach to weapons production appears as an increasingly attractive option. Israel has sold the Pentagon the *Cobra* laser night attack system for helicopters and electronic components for M-60 tanks, among other systems. Future sales of remotely piloted vehicles (RPVs), the *Popeye* air-to-ground missile, training simulators, chaff rockets, and electronic countermeasures software are possible. The crowning achievement of Israeli-American technical cooperation is the joint development of the *Arrow* (*Hetz* in Hebrew) anti-tactical-ballistic missile system, which is considered to be only three years away from deployment.

Providing Solidity and Permanence. The rapid growth of the various strands of U.S.-Israel strategic cooperation has outstripped the development of an institutional framework for managing such cooperation. The work of the *ad hoc* liaison groups needs to be integrated in a systematic fashion to maximize the benefits of U.S.-Israel defense cross-pollination. Last April 21, a memorandum of agreement between the two countries formalized the existing arrangement but did not create anything new. The next step would be to go beyond existing arrangements and create a U.S.-Israel Defense Council, co-chaired by the U.S. Secretary of Defense and Israel's Minister of Defense. This top level body would meet periodically to review comprehensively bilateral security issues. Eventually it could evolve into a permanent secretariat that would be an over-arching framework for the mushrooming number of committees and working groups that now plan and execute U.S.-Israel strategic cooperation.

This would strengthen the foundations of U.S.-Israel strategic cooperation, give U.S. bureaucracies a greater vested interest in maximizing bilateral cooperation, and enhance deterrence of Soviet aggression in the eastern Mediterranean region. It also would give a solidity and permanence to the special U.S.-Israel relationship that would enable it to survive the vagaries of the U.S. policy-making process.

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¹ See Stuart Eizenstat, Formalizing the Strategic Partnership: The Next Step in U.S.-Israel Relations (Washington D.C.: Institute for Near East Policy, 1988.)