The Making of National Security Policy

Security Challenges of the 21st Century
Conference Proceedings

Meir Elran, Owen Alterman, and Johannah Cornblatt, Editors

Memorandum 110

iNSS

המכון למחקרי ביטחון לאומי

THE INSTITUTE FOR NATIONAL SECURITY STUDIES
INCORPORATING THE JAFFEE   TEL AVIV UNIVERSITY
CENTER FOR STRATEGIC STUDIES   אוניברסיטת תל-אביב

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iNSS Institute for National Security Studies

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The purpose of the Institute for National Security Studies is first, to conduct basic research that meets the highest academic standards on matters related to Israel's national security as well as Middle East regional and international security affairs. Second, the Institute aims to contribute to the public debate and governmental deliberation of issues that are – or should be – at the top of Israel's national security agenda.

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Memorandum No. 110   November 2011

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מאיר אלרן, אוון אלתרמן וג'והנה קורנבלט, עורכים

גיבוש מדיניות ביטחון לאומי

אתגרי הביטחון של המאה ה־21

סיכום כנס

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Preface

This volume compiles edited versions of presentations delivered in January-February 2011 at the fourth annual Institute for National Security Studies (INSS) international conference. The conference series, "Security Challenges of the 21st Century," brings together political leaders, academics, and practitioners to probe the most critical and challenging issues on Israel's national security agenda and to search for the policies that best advance Israel's national security interests. The focus of this year's conference was "The Making of National Security Policy."

The conference, held in Tel Aviv, took place at a singular moment, in the middle of the eighteen days of protests that led to the removal of Egyptian President Husni Mubarak. The uprising in Tahrir Square was progressing toward its peak during the day and a half of the conference, with news stories changing by the hour. It was the beginning of what is now called the "Arab spring." Protests had only begun in Yemen, and they had not yet reached Bahrain or Syria. The war in Libya was not even on the horizon. Revolutionary fervor was just beginning to take hold in the region, and naturally the Israeli public and establishment were unsure how events would unfold.

Perhaps predictably, the uprising in Egypt was a leading issue discussed from the conference podium and in hallway conversations. Speakers tried to contextualize the recent developments and provide a sense of what changes in Egypt might mean. At the same time, they balanced analysis of the latest news reports with adherence to the planned theme of the conference: how national security policy is best crafted. Speakers also focused on Israel's wider agenda, addressing issues ranging from the nature of leadership to the challenges of international law to the state of the nation's economy. The result was a stimulating mix of discussion both grounded in the hour-to-hour reality and with a view toward the longer term.

In discussing Egypt, speakers were challenged by the demand for real-time reaction, but many recognized that an accurate assessment requires more perspective and that in any event Israel was best served by maintaining a low political profile. Accordingly, Deputy Prime Minister Dan Meridor emphasized that government officials must address developments in Egypt with restraint and care. Professor Yehezkel Dror too worried about analysis that could soon prove dated. Regarding Egypt, Bank of Israel Governor Stanley Fischer assessed that the resilient Israeli economy would weather this storm in regional politics as it had survived others. David Brodet, former director-general of the Ministry of Finance, noted that because Egypt's political evolution was ongoing, the government should not rush to increase defense spending.

In connecting the developments in Egypt to the conference's theme of crafting national security policy, a number of speakers addressed concerns about the failure of Israeli (and other) intelligence services to foresee the protests in Egypt. Some said that policymakers could not expect too much from the intelligence establishment when it comes to deep social changes. Yehezkel Dror, for example, spoke of the tension between systematization and flexibility: the imperatives both of having a direct national security concept and of having the agility to adapt policy to changing events.

Three former heads of the Israeli National Security Council suggested another important element in the crafting of policy: the personal relationship between national security advisors and policymakers. Two of the three panelists argued that an important characteristic of an effective national security advisor was often the person's own relationship with the prime minister and the prime minister's confidence in the advisor. Practically, two of the panelists submitted, prime ministers are more likely to seek and heed advice from those he or she trusts rather than from advisors with relevant professional qualifications.

The challenges that countries face in creating and adapting national security policies was another key topic of discussion. François Heisbourg, Chairman of the International Institute for Strategic Studies, described why and how France adopted the formulation of national security as a goal over the past decade. He focused on the difficulties in creating a cohesive and effective intelligence community and stressed the importance of planning for and establishing societal resilience. John Deutch, the former Director

of the US Central Intelligence Agency, pointed to two tensions inherent in national security policy crafting: domestic versus foreign policy and focus on short-term response versus long-term planning. Deutch also said that in the future, he expects US national security policy to emphasize US interests and US bilateral relationships over multiculturalism.

Issues involving economics and international law also figured prominently at the conference. In the economic sphere, Stanley Fischer presented the growth of the Israeli economy and Israel's strong fiscal and economic position. David Brodet connected Israel's economic position with its defense budget, noting Israel's success in recent years in lowering defense spending as a percentage of the GDP. In the area of international law, Avihai Mandelblit, then Military Advocate General, explained how several international NGOs were attempting to integrate human rights law with the laws of war, to Israel's detriment. Taken together, these presentations reflected the Israeli reality of 2011: impressive (if unevenly distributed) economic growth but complex challenges on the international scene.

Much attention was commanded by the stretch of the conference that featured German Chancellor Angela Merkel, preceded by opposition leader Tzipi Livni. Livni's talk from the conference podium included some of her first public comments on the protests in Egypt. She said that democratization requires not only free elections, but also the recognition of democratic norms by candidates and political movements. Livni emphasized that political accommodation of the Palestinians remained important for Israel's own interests.

This latter message was echoed and stressed by Merkel, who said that as a friend of Israel, she urges Israel to understand that it must reach a political arrangement with the Palestinians and must not allow the situation in Egypt to divert it from peace talks. As for Egypt itself, Merkel said she hoped that protests would proceed peacefully. Merkel also spoke on international political topics, addressing issues ranging from the nature of leadership in times of crisis to the shortcomings of multiculturalism in Germany and elsewhere.

In the months since the conference, upheaval in the Arab world has spread and intensified. The ultimate outcome – democratization or sectarianism, reform or radicalization – remains to be determined. In Israel, the ongoing developments continue to be a leading topic of conversation at conferences

and in the media. The discourse has evolved, with the establishment at first allowing cautious optimism to creep slowly into its forecasts before stepping back during the late summer. At the governmental level too, support for democratization in the Arab world somewhat increased, culminating in Prime Minister Benjamin Netanyahu's evocation in his May 2011 speech to the US Congress regarding the "millions of young people out there who are determined to change their future" and "these extraordinary scenes in Tunis and Cairo [that] evoke those of Berlin and Prague" more than twenty years ago. "We share their hopes," Netanyahu added, even if "we must also remember that those hopes could be snuffed out." By the time Prime Minister Netanyahu delivered his address to the UN General Assembly in September, though, the rhetoric had become more muted. After brief mentions of Arab protesters in his opening paragraph, the prime minister's attention moved elsewhere. His words reflected a change in the public mood, with unease about gains by Islamist-oriented groups in many parts of the region.

On these and other topics, the presentations compiled here offer a snapshot of evolving views on important regional developments. Deliverd in early 2011, they may not address or reflect changes in geopolitics or the international financial scene in the months that have followed. Yet in addition to illuminating the issues related to the planned theme of national security policy development, this collection addresses some of the economic, diplomatic, and legal matters prominent in the Israeli public arena in 2011 that may affect Israeli public discussion for years to come.

Meir Elran, Owen Alterman, and Johannah Cornblatt
November 2011

Part I
Remarks by Political Leaders

The Israeli Concept of National Security

Dan Meridor

Israel finds itself in a time of rapid and unpredictable change in the defense and security spheres. These changes and, equally importantly, the pace of these changes demand new modes of thinking, new tools, and new ways of challenging ourselves intellectually. In the first place, the events of the past few days, especially in Egypt, demonstrate the importance of humility. Sometimes, significant events take place unexpectedly that could not have been anticipated, even by experts. This is not to find fault with those institutions responsible for assessment, whether in the United States or Israel, England or Russia. It is apparently the nature of our world. Thus, what happens today (such as in Egypt) could have occurred in another ten years, or not at all. Afterwards, explanations will be found for why a particular event had to happen at a particular moment. For now, government ministers would be prudent to refrain from reacting to the events of recent days, from speaking about the behavior of various countries, and from prescribing what should happen. There are times when silence is better than speech. But there is no doubt that great change is taking place, whose results are not yet clear.

The phenomenon of sudden, unforeseeable change is important to consider when approaching the question of a security concept in Israel. Two conflicting objectives bear on that question. First, a security concept requires insights, principles, and methods of action on the highest level, all of which can help orient defense policy. This ultimately concerns the budget, the combat doctrine, foreign policy, weapons development, security, and diplomacy. Especially because Israel's security situation is so challenging – more than for any other Western state – it is important to have an orderly, proactive security concept that looks to the long term, rather than one that responds to what happened yesterday or what will happen in another five

minutes. Hindering this, however, is the second and opposite vector: the speed and the strength of the changes in our lives, evident in culture and in technology as well as in the defense and security arena. It is difficult and challenging to understand a change in real time, particularly if it is impressive in magnitude and in pace of occurrence. These changes, and the pace of change, can quickly render carefully constructed security concepts obsolete.

How is it possible to balance these two forces, one that demands long-term or wide-ranging planning, and the other that requires constant readjustment to change? This is a very difficult dilemma whose only solution is one favored by lawyers, with former Supreme Court President Aharon Barak as its great proponent: balance. But how can balance be found, and what are the criteria for balancing one need against the other? These are very difficult questions.

In the diplomatic world there are also great changes. The Middle East has one axis that wants stability (an axis that includes Israel and the moderate Sunni states) and a more radical axis that is seeking change through violent or diplomatic means (as well as through spiritual means, as religion returns to the fore in the Middle East). Along these lines, recent events in Lebanon may have lent support to the radical axis. Israel, meanwhile, seeks to expand the circle that wants stability and can gain from it. Some of the changes in the diplomatic world are not visible on the surface, but identities, interests, and cooperation are certainly being created, and Israel must know how to take advantage of them as well, to the extent possible.

Great changes are also taking place in war itself. This applies to nuclear proliferation (from Iraq to Libya to, according to foreign publications, Syria to Iran). This also applies to terrorism and the great power it has in an age in which the individual is powerful, in the transition from conflicts between states to struggles between states and non-state organizations. There are also new challenges in conventional war. Israel must internalize this change in order to remain what it has been: an exceptional success story of military power. In the face of all the basic asymmetry, Israel has succeeded in creating a tremendous military force that, in conventional warfare, has deterred and continues to deter its enemies. Nevertheless, the enemy – from Iran through Syria to Hizbollah and Hamas – has created a new challenge in the world of missiles and rockets, which are not simply a nuisance, but rather, a serious

challenge of a different sort. For the first time, in the 1991 Gulf War, a rather distant enemy succeeded in bringing the war from the battlefield of tanks and cannons to Israeli homes; thirty-six missiles fell in Tel Aviv. In 2006, in the Second Lebanon War, the war was mainly on the home front. In 2009, and also between these wars, the rockets were not those of an army fighting another army, with the civilian population possibly in harm's way. The entire war, or the main part of it, was between one population and another. A person not wearing a uniform, in a city named Khan Younis, fires at a person not wearing a uniform in a city named Sderot.

At one time, the Israeli military was able to use its air strike capabilities to prevent the explosives from reaching the population. Now, the situation has changed. The enemy has learned this lesson, and the known numbers of rockets and missiles is today over forty thousand in Lebanon and over five thousand in Gaza, with a combined range that reaches all of Israel. This is a new phenomenon, a kind of military challenge that is a civilian security challenge, for which Israel must find a response. Despite the Israeli intuition and emotion based on a preference to be on the offensive, this response must be based on a defense approach. Israel is investing in many types of defense, such as the Arrow and Iron Dome projects. It is not easy for Israelis to think in such terms, but they are important.

As part of this challenge, the question remains how to deter states as well as non-state forces, and those prepared to pay heavy prices as they fight for religious reasons. As the willingness to sacrifice increases, the level of deterrence decreases. How can Israel deter a person who is prepared, for example, to commit suicide? There is deterrence today. The border is quiet in the north because there has been deterrence since 2006. In Gaza, too, there is deterrence to a large extent, and Hamas is doing what it does in order to prevent the firing of rockets. Not from love of Zion, but because of deterrence. How can Israel maintain this deterrence? How is such deterrence created?

An additional challenge presented by the changing nature of war stems from the fact that wars today are viewable as they are taking place. This was generally not the case throughout human history. A person could sit in Paris in 1812 without knowing what was happening in the winter between the armies of Napoleon and Kutuzov, and a person who did not read Tolstoy would not know what war looked like. In the Second World War, too, the

home front almost did not see, and certainly not in real time, what was happening at the front. Today there has been a dramatic change. Attempts to impose censorship have obviously not succeeded because every soldier, on both sides, has a third generation telephone and broadcasts within two minutes to every interested network. A war that is viewable creates a change in the balance of forces. The stronger party very quickly appears to be a brutal soldier who is striking the weaker party. And immediately the weaker party becomes what is called the underdog. Two organizations that are hated worldwide, even in the Arab world, Hizbollah and Hamas – against whom war was waged in 2006 and 2009, respectively, when a large part of the world, openly and less openly, wanted Israel to attack them – became the world's pitied and forlorn after the wars lasted too long. In conducting future wars, Israel needs to take into account that a war that is being viewed cannot continue for a long time. Finally, in contrast but no less a dramatic change, the battles of cyber warfare are conducted by computers and are not seen at all.

All this impacts greatly on how achievement and objectives are defined. How can Israeli policymakers set expectations appropriately, manage those expectations, and then conduct war in such a way that expectations are met? This requires a careful definition of realistic expectations among state officials and statesmen. This is a process that is taking place, and must continue to take place. What are the possible goals of a war? If the balance of forces changes to a certain extent, with the weak party becoming stronger, and the stronger party the weaker, what does this mean from the point of view of the diplomatic goals of war? What does it mean from the point of view of the operational goals? What type of combat doctrine needs to be developed in the face of such a world, where the adversary, rather than trying to advance its movement, fires large quantities of rockets and missiles? There is no unequivocal answer as to whether this demands a strategy of defense or of attack, nor is it clear how to implement an attack strategy against an organization without territory or organized hierarchy. The very tools of war are being redefined, as questions are faced about what should be developed in order to be able to withstand these challenges: another tank battalion, another plane, or something else entirely.

A different topic, but also representing a potentially great change for the world, is that of a nuclear Iran. The fight being conducted by the United

States in the face of the nuclearization of Iran is a battle that will have very significant implications not only for the entire Middle East, but perhaps for the wider world and, ultimately, mainly for the standing of the United States in the world. If at the end of this battle Iran is nuclear, this will apparently be the end of the era of the NPT, the Nuclear Non-Proliferation Treaty, leading to an entirely new world with many nuclear states. If this comes to pass, it will be proof of the inability of the United States to protect regimes that greatly fear Iranian hegemony. This will also give a push to many organizations that are emerging in the Arab Muslim world, which are based not on nation but on religion. Therefore, in many respects, the battle against Iran is the main theater.

This struggle has a chance if it is conducted with determination and persistence. It is not yet lost. There are the beginnings of signs of awakening to the challenge, and hopefully, the issue is perceived in the corridors of Washington and in other places as exceptionally important. It is correct for Israel not to place itself at the center of this struggle. Israel under various governments has generally acted wisely in this manner. Iran is not solely an Israeli interest; it is in the world's interest to stop this process, without Israel being at the center.

The question of rapid change in the security environment is connected with another crucial concept: the importance of peace. In connection with the events of recent days, security cannot be measured solely by the quantity of planes or guns in an arsenal; peace policy or the policy of alliances and political strategy are a central layer of security. This has not always been obvious to Israeli policymakers. For example, a commission in 1974 stated that Israel should not be concerned with assessing the enemy's intentions, only its capabilities. This is not correct. The enemy's capabilities are very important. But intentions, that is, peace or the lack of peace, are no less important. Neither capabilities nor intentions paint the full picture.

But the expansion of the circle of peace – the acceptance of Israel – is also a layer of security that is exceptionally important. In the last thirty-three years, since the peace treaty with Egypt, the Middle East has changed 180 degrees in terms of security. No peace is eternal, but thirty-three years, and hopefully decades more, is a great deal in Israel's history. Israel must ensure, to the extent that it is in Israel's hands, that this keystone of regional stability and regional security will be maintained both to our advantage,

and to the advantage of other nations, including Egypt. Peace is thus also a matter of security.

The importance of peace is also relevant to the Palestinian issue and security on that front. The current situation has created an illusion. A person walking today in Rehovot, in Jerusalem, in Tel Aviv, and on the border can observe the calm. There is no terrorism. Judea and Samaria is thriving economically, with 8 percent growth last year, and more in the current year. The state of law and order is much improved. All this contributes to an illusion that this state of affairs will remain as it is without Israel's doing anything. This is a very dangerous illusion. Israel cannot maintain an essentially abnormal situation over time, in which almost nothing is defined. Where is the border, who is a citizen, who belongs to whom? These questions continue to be relevant in Israel, and it is the task of the leadership to deal with them, even if there is no feeling of urgency now. It is human nature to avoid risk, and if a policy proposal is perceived as high risk, the tendency is to decide against it because of the dangers involved. However, correct thinking for Israeli policymakers would be to compare the proposal to the existing situation and ask if there is not greater risk in maintaining the status quo. Especially today, in spite of the weakness of the Palestinian leadership that is divided between Hamas and Fatah, Israel should not assume that it is possible to leave things as they are. Israel must make a great effort to promote the processes of agreement, of peace, of separation, even if it is not possible today, and perhaps never will be, to reach an agreement that ends the entire conflict. Just to let the existing situation be is not the only alternative.

Israel should not concern itself with the issue of evading pressure, but rather with the question of what is in Israel's best interest, given the existing situation. There are steps that can be taken: conducting negotiations for a permanent settlement, even if their chances are apparently not great; in parallel, conducting, in stages, negotiations towards a partial solution to the conflict that have a greater chance. Although risks exist in such steps, they are much smaller than the danger of not doing anything. This remains true even in today's tumultuous circumstances. Even if negotiations fail, Israel should not be in a situation in which it remains guilty in the eyes of the world because there is no progress. There is widespread opinion that Israel wants to maintain an anomalous situation. For forty-three years, Israel

has been in Judea and Samaria, and for forty-three years, the world has not agreed with that policy. For two years, there has been no terrorism, owing to the IDF, the General Security Services (Shin Bet), Abu Mazen and his loyalists, and because of cooperation. With the end of terrorism, a situation remained that makes it difficult for Israel's position to be understood by the rest of the world.

The Palestinian direction and strategy are changing, in three ways: first, the abandonment of terrorism as a strategy; second, the building of a state, what Fayyad calls, imitating Ben Gurion, the state-in-the-making; and third, outsourcing to the world the solution and moving from bilateral negotiations to a decision by third parties, such as the United States or the Quartet. This third aspect is developing, and it is not to Israel's benefit. An Israeli initiative is needed in order to advance the processes of the negotiations with the Palestinians towards completion.

Both the security world and the diplomatic world are at a crossroads. It is not always easy for older, rooted professionals to adjust their thinking. But changes in thinking are the key to success. In the security world, the defense establishment must adjust itself to these challenges. Israel has exceptional strengths, but in order to safeguard Israel's existence, Israeli policymakers need to understand the enemy, who is not stupid, and his strategy in order once again to be a step ahead of him. Israel must nurture a group of people who are prepared to think differently. In the past this was less important; in an age of changes, this is critical. When training young people in the army, the intelligence agencies, or in the foreign service, it is important to encourage them to question their commanders' mentality and analysis of geopolitics, as the thinking may be dated. Answers to the challenges of today are in the hands of the younger generation, who bring new and different thinking while knowing how to use what the older generation can contribute. The young mind sees the world of today and of tomorrow and can seek new solutions. In this way, even in a changing age, Israel can function in the defense world with a more coherent concept, with better answers.

The Two-State Solution: Why Israel Cannot Afford to Wait

Tzipi Livni

In these times of turmoil, what Israelis have to say about events in other places is of great significance, and we must exercise caution when commenting on these events. For example, events in Egypt have not yet reached their conclusion, and even when the events themselves are over, this may not yet signify the end of greater shifts taking place in the region. At the same time, it is imperative for us to examine our worldview and the path that we have chosen in light of this changing reality.

There has been a division in the Middle East for some years that still prevails, between the radicals and the moderates. The radicals are those who share a radical Islamic ideology, those who do not accept – or are unwilling to recognize – the very existence of Israel, regardless of its borders. That group includes Iran, Hizbollah – an armed militia and an opportunistic coalition partner in Lebanon – and Hamas, which controls the Gaza Strip and some of the political scene in the Palestinian Authority. On the other hand, there are the moderate pragmatists: Israel, of course, and the nations with which we have peace agreements, such as Egypt, Jordan, the Gulf states, and others. These are part of the entity known as the free world, led by the United States. Two nations that are somewhat harder to categorize are Syria, which has shared interests – although not a shared ideology – with the Iranian-Hizbollah-Hamas group; and Turkey, which perhaps a year or two ago would automatically have been defined as a moderate-pragmatist state but which now seems to be shifting its position. Beyond the academic discussion, these analyses must be used by Israel in order to make practical decisions as to how it relates to these groups.

Must the world choose now, when it looks at the region, between strong, effective leadership and democracy? That seems to be an emerging discourse, and not just in Egypt. The United States, under its previous administration, conducted the same campaign for democratization in the Middle East. There have been instances in which in practice, democracy and internal processes were exploited by certain elements (not the masses) in order to promote what is, essentially, an anti-democratic agenda.

In the final analysis, does democracy come at the expense of democratic values? That is the question that even the United States, a promoter of these ideals in the world, must ask itself. The Supreme Court of the State of Israel disqualified the Kach party's candidacy in parliamentary elections because its agenda was anti-democratic. According to the constitutions of all nations of the Western world, parties that do not accept these basic values are prohibited from exploiting democracy through participation in elections.

In his famous speech in Cairo early in his term in office President Obama said, "Elections alone do not make true democracy." But how does one apply this statement in practice? In Spain, a party supporting the Basque violence was prohibited from participating in elections. In Turkey, we have seen such processes in the past. America naively believed that Hamas would not win the elections; and that Hizbollah in Lebanon was showing signs of moderation because it was becoming a coalition partner. This was a few short months before Hizbollah created a provocation by invading Israeli territory, kidnapping and killing soldiers.

Today, the same elements exist. From an ideological standpoint, differing positions everywhere must be respected. But certainly, those who support violence and terrorism, who do not accept the notion of one state and one army, and who do not hold democratic values must be stopped. The international community can evaluate and judge election processes. Was the election of Hamas "free and fair" and supervised by the international community, for example? Or was there no choice? The international community, with the United States at the helm, has the capability to make such determinations across the globe.

The true test lies not only with the leaders who sign the agreement but in whether or not the peace is kept between peoples. The Israeli public views what is going on in the region with concern, which is justified in the face of uncertainty with regard to the future. The Israeli leadership,

though, seems to be engaged in a troubling process of looking outwards and projecting inwards. In this process, anyone can pick and choose aspects of what is happening that support his or her worldview. Indeed, there will be people looking outwards and saying, did I not say this is a troublesome neighborhood? The neighborhood really is troublesome. Did I not say that the leadership was unstable? The leadership is indeed unstable. Did I not say that Islam is capable of taking over countries? Look, it is happening. Did I not say that the United States is not always in a supportive stance? We have to be careful.

This kind of exchange at the leadership level can be very attractive to a public that is truly worried, but burrowing into our little corner of the universe and doing nothing until the danger passes is not an acceptable solution. The function of leadership is not only to talk about the dangers that exist. Of course, the severity of the threats with which Israel is grappling should not be minimized. But the function of leadership is also to think about solutions.

Furthermore, the balance between Israel and the region is negative. That is, the trends are not positive from Israel's perspective, and the passage of time is only going to work against us unless we do something dramatic. If there is a possibility of altering the trend towards Iran becoming the dominant power in the region, it is through a partnership with the pragmatic leaders in the region who understand the threat that Iran poses to them, not to Israel. Iran represents the extreme Islamic ideology. It stirs up trouble in other countries in the region, supports radicals and extremists, exploits the weakness of regimes, tries to undermine the stability of existing regimes, and promotes the old agenda of hate. It should be understood, therefore, that the problem with Iran is not the day they acquire the bomb; the problem is today. We live in a world of images, and all of those regimes are looking at the world around us and identifying where the strengths and weaknesses are. Should those regimes realize that the world has shrugged its shoulders and allowed Iran to become the most significant and dominant player in the region, they will take steps to ally themselves with the neighborhood bully. This is something that Israel cannot allow to happen. Israel cannot afford this domino effect. Indeed, Israel must use the time that is passing in order to improve its situation vis-à-vis these phenomena, not despite the

phenomena but in consideration of them, knowing that the passage of time is not working in its favor.

That brings us to the Israeli-Palestinian conflict that is not being solved. Israel cannot turn a blind eye and let the storm rage outside, making the excuse that there is not enough stability to resolve the conflict, and relying on the American veto on every occasion in the Security Council. Of course, the Israeli-Palestinian conflict is not the reason for the radicalism in the region. That notion needs to be exposed as false, because there are those who try to make this claim. If the Israeli-Palestinian conflict were solved tomorrow, neither Iran nor Hamas nor Hizbollah would change its ideology. But there is no doubt that the Israeli-Palestinian conflict, which is not the reason for the radicalism, is exploited by the radicals as a pretext in order to prevent any future possibility of arriving at a settlement. Just as Israel understands that Iran is the threat and that Israel is not the reason for radicalism in the region, other nations hear the voices coming from Iran. They watch al-Jazeera. As the conflict continues, the possibility of reaching a settlement grows dimmer.

Strong leaders can stand up to their people, but weak ones cannot, as illustrated by Syrian President Asad's recent statement that his position is better than that of President Mubarak's because of Syria's anti-American stance and thanks to the conflict with Israel. He explained that a leader must be very attentive to the needs of his people. In other words, in his view, and in the view of other leaders like him, the needs of the people are served by the continuation of the conflict with Israel. The conflict is a unifying element and is exploited as such. The longer this situation in the region persists, the harder it will be for leaders, however strong they may be, to arrive at a settlement with Israel. It is true that Israelis tend to think that if things are stable, if there is no terrorism and there is calm, then what is the point of a settlement? On the other hand, if there is instability, turmoil, and riots, then it is too risky to do anything. The point is that it is dangerous to do nothing, even in a situation of regional instability.

It is necessary to resolve the Israeli-Palestinian conflict first and foremost for Israel, because of its values, that is, in order to preserve the existence, the identity, and the raison d'être of the State of Israel as the national home of the Jewish people and as a democratic state. The only way to preserve these values is by dividing this land. The argument over who has the greater right to this land is not productive; the focus should not be on past history

but on the future generations. Unfortunately, there are people who still do not understand that the cost of not coming to a settlement threatens our values and our identity. They speak only of threats and of regional trends. Yet even from Israel's security point of view, the situation will be worse unless a settlement is reached.

Looking at the trends, it is clear that the Palestinian leadership can reach a settlement only if it has the support of the Arab world. Therefore, Israel needs there to be leaders and governments in the region that would provide this support; and they need to be strong enough to provide backing for the concessions that will be required of both sides. Indeed, there is no settlement without concessions from both sides.

It is possible to end the conflict through negotiations with the pragmatists in the Palestinian Authority (PA), the national movement that supports the two-state principle as a way to resolve the conflict, as opposed to Hamas, the radical Islamic element with which there is no chance of ending the conflict. Negotiations were conducted with the PA and ended not in failure or in a stalemate; they simply ended because of political changes in Israel. Negotiations were supposed to provide a response from both sides on all of the issues in tandem, to create a package for ending the conflict in which it would be clear that each state was providing a solution for its people: the State of Israel as the solution for the Jewish people, and the Palestinian state as the solution for the Palestinian people. The settlement involved determining the final borders of the State of Israel and the Palestinian state and ensuring that all parties have appropriate security arrangements. Each of the leaderships would be able to come to its people and say that it had ended the conflict, at least on paper.

Application of the agreement is another matter, and reality is tough on the ground. The situation has improved in Judea and Samaria but clearly not at all in the Gaza Strip. The agreement that was reached explicitly stated that any application of the settlement would be subject to a string of conditions – some of them in the Roadmap, some of them additional stipulations that would require changes on the ground – so that Israel would not find itself giving the keys to the future Palestinian state to an organization such as Hamas. This was agreed in writing, and was even published.

But what is the point of that paper if reality is still so difficult? It is the only way to be clear about how the conflict is ended, what each side's

obligations are, and the fact that there will be permanent borders. All of the notions about temporary borders would leave the conflict open and would focus on the settlement blocs, Jerusalem, and the refugees. That may be a recourse for anyone who does not want to accept the difficult decisions required to end the conflict. But unless this is done, the price that Israel will be forced to pay will be even higher. Israel needs permanent borders no less than the Palestinians need a state. Israel is an internally divided nation with different societies existing alongside one another with a discourse that crosses astounding gaps in terms of its very basic definition. Although Israel insists that the world recognize it as a Jewish state, it has not decided for itself what that means, whether in the national or religious or ultra-Orthodox context – or everyone pulling the rug in his own direction. Israel has not yet defined its borders, not vis-à-vis the other side, and not vis-à-vis the world at large. Therefore, the requisite solution is to end the conflict with the same Palestinian leadership that can garner the support of the Arab world. This opportunity, if it exists, is now.

There are several steps that Israel needs to take today. First, the world needs to be called upon to create that universal code that would define democratic elections and the essence of democracy. Israel needs to act in order to preserve itself as a Jewish and a democratic state, and to stop the international trend of delegitimizing Israel as the Jewish nation state. The objective can no longer be merely talk or another good speech. It is time to act. To that end, it is necessary to enter the room and come to a decision. Negotiations or dialogue for their own sake are no longer a sufficient goal. It is necessary to reach the end of the conflict.

Israel prides itself on being the only democracy in the Middle East, and Israel *is* the only real democracy in the Middle East. But when democracy ends at the virtual border with the Palestinians that Israel currently refuses to demarcate, that source of pride, too, will come to an end.

The Middle East Peace Process: How Europe Can Help

Angela Merkel

There is no more apt a time than now, as the world is undergoing such extensive change, to examine the risk and potential consequences of the global threat to the national security of many countries. In Germany and in Europe the effects of the international economic and financial crisis, the biggest of its kind since the 1930s, are still being felt. Indeed, the economic and financial crisis has had an effect on Europe that could not have been foreseen. The market situation highlighted the weakness of the euro, which derives from excessive debt on the part of several member states of the European Union and the Euro Zone as they face major challenges. While Europe is clearly committed to the euro, this demands better coordination of policies and a universal understanding of the importance of living within a country's available means. The economic crisis will reshuffle the cards on a global scale, resulting in a new balance of power, as is already indicated by developments in Asia and in China.

In the Middle East, the recent unrest witnessed in Lebanon, Tunisia, and especially Egypt will have major consequences. While the right to protest is important, one can only hope that the political process and the general strike called in Egypt will take a peaceful course. The implications of recent events for Israel's security remain to be seen, but they are in any case an expression of the major change that is taking place and represent a significant challenge to the national security of the State of Israel. It is always true that global developments are closely connected to issues of national security, and in Israel, this issue carries special significance because the threats to its security are manifest and visible. Israel has a number of hostile neighbors

and thus the close partnership between Israel and Germany is of the greatest importance. Germany is committed to Israel's security and to doing whatever possible to safeguard it.

What makes the German-Israeli partnership special is that it is based on shared values, democracy, human rights, and freedom – freedom of expression, scientific activity, economic activity, and democratic structures. The inter-governmental consultations held between the two countries have become a firm building block in the bilateral relationship and in cooperation, surely acknowledging the terrible experiences of the past but also recognizing the success in building a partnership despite that terrible past. The two countries accept this cooperation across the board in all areas, increasing the understanding between both peoples who have shared concerns; this in itself is a success.

It is the task of both countries to consider how best to solve problems, focusing on the Middle East peace process, which has come to an unacceptable impasse. Stagnation does not serve the interest of any party involved, nor does it serve the interest of the State of Israel. It might appear at times that the situation is not propitious for conducting negotiations, or that other, burning issues must take a higher priority. But as a friend of the State of Israel, Germany firmly believes that the current events in Egypt should not serve as a reason to discontinue the negotiation process. Sitting back and waiting will only bring the sides to a situation worse than today's. It is important to act here and now.

It is true that Israel's economy is now strong and stable. Indeed, Israel boasts a strong currency, low unemployment, and a high degree of timely technical achievements. From this position, it is easy to indulge in a high degree of skepticism as to whether the current Palestinian partners are suitable for negotiating a peace agreement. But a continuation of the standstill will not be beneficial to anyone, and the present calm might prove to be misleading. The possible consequences of this can be illustrated by the German and European example. There were instances when Germany and France were inclined to bend the rules governing the European Union. There was less focus on implementation of the criteria for debt reduction, and the ensuing financial crisis caught all by surprise. Germany and France were embarking on economic stimulus packages, but suddenly found themselves at a very difficult juncture regarding the euro, and forced, within a very short period

of time and under tremendous pressure, to act on a major scale and carry out policies not considered possible only a year earlier. While the comparison between Europe and the Middle East may seem fanciful, the point is that the risk in sitting back and letting things take care of themselves is that one might then be forced to act in haste and take the less than optimal decision.

In the Middle East process the objective is clear. It must be a two-state solution, with Israel as a Jewish and democratic state and with a viable Palestinian state. It is obvious that such a solution is only possible if both parties are willing to make painful compromises. But when examining the potential result of such compromise, of a settlement of the conflict, the advantages are clear. The issue is security and borders, and final status. It may be that not all questions must be settled at the first stage; perhaps security and the borders issue should be addressed first. The parties have often appeared to be very close to a settlement in the past, and actions should be stepped up. There is one precondition that is painful for some, that of freezing settlement activity. But looking ahead ten, twenty, thirty, or fifty years, what will have been the cost of a settlement freeze for three, four, or nine months, if at the end of the day it leads to a peace agreement between Israel and the Palestinians? Will that not outweigh the pain incurred as a consequence of the compromise?

He who thinks he can wait will be proven wrong, because the picture will not improve in the foreseeable future. On the other hand, interests can be well defended and represented in serious negotiations that are pursued with a very clear objective in mind. This is anything but easy for everyone involved, but despite the many doubts, there is no alternative to making the effort, and it is in the interests of the State of Israel to do so.

What can Europe do to help? Germany should play an active part, speak out, express readiness to be of help, express its views in its exchanges with the American President, the American Secretary of State, and with its friends in the European Union. Germany is aware of the fact that it bears a specific responsibility and has certain obligations, and we know that a settlement in the Middle East and a two-state solution will probably bring about new responsibilities and obligations for us. But the security of the State of Israel is part of Germany's raison d'être, and as such, the present threats to Israel's security must be addressed. The Iranian nuclear menace constitutes a genuine threat, as does Iran's position with respect

to Israel. A tightening of sanctions may be necessary because there is no apparent readiness on the part of Iran to negotiate on its nuclear program. Europe is applying sanctions against Iran, but it is important to remember that sanctions are more effective if supported by several parties, such as China, Russia, and the United States. Also, sanctions that affect the civilian population are not very meaningful. In Germany, the government has been working with the business community towards reducing German-Iranian trade relations. Numerous German companies have cooperated with this strategy, and this has proved to be very effective. In any event, Germany favors a diplomatic solution over a military one to the problem of Iran's nuclear weapons program. While the threat of missile attacks is much more direct for Israel than for Germany, at the end of the day it threatens all of Europe, as does international terrorism. Here too, Germany and Israel share a common responsibility.

The Middle Eastern conflict has always played a part in the relations between the European Union and the Mediterranean countries. There are plenty of tensions between various countries that cause no end of diplomatic difficulties, but in those cases where possible, the goal of a two-state solution, which would have a positive effect on improved cooperation in the region, should be pursued. It may be presumptuous for Europeans, who do not face a constant existential threat from neighboring countries, to dictate to Israel what course of action should be pursued; nonetheless, most Europeans believe that risks must be taken in order to find a solution, because the alternative of doing nothing is not viable. Doing nothing will only increase the demographic challenge, and will likely leave Israel confronted with recurrent conflicts that are triggered by the central conflict, which remains unsolved. The argument that the Palestinians are being denied the right to statehood will be a constant challenge. While there are no guarantees regarding the nature of the Palestinian government – whether it will be in the hands of Abu Mazen or Hamas five to ten years down the road – once Israel has gained recognition by moderate Arab states, and at the same time the terms for the Palestinians to exist in their own state have been laid down at the United Nations, Israel's political position will be much more unassailable.

In the context of working with Israel towards a solution, it is important to distinguish between good personal ties and differences of opinion on

individual subjects. Relations between Germany and Israel are based on mutual trust and concern, which does not preclude maintaining different views on individual issues, for example, settlement construction. Political cooperation and political friendship are possible even when there is disagreement on certain issues, and the disagreement should be openly expressed. Personal convictions and beliefs do not in any way endanger any part of the relationship between Israel and Germany. Furthermore, Israel's security interests are important to every individual member of the European Union and to the European Union as a whole. As a friend to Israel, Germany supports the two-state solution because it is the best alternative in the reality that exists today in the region; better than increasing settlement activity and better than adding to the number of Israelis who live outside the borders of the State of Israel. Germany is aware of the painful nature of this compromise, but firmly believes that the proposed solution is an opportunity that must not be missed. After the fact, there will always be those who exhibit the wisdom that comes with hindsight; the current situation in Tunisia affords an example. However, it is not constructive to second-guess earlier decisions; it is rather more important to continue to exert efforts towards finding a solution.

The American response to the events in Egypt should not be interpreted as an abandonment of the Egyptian President, but as a responsible recognition of change and of the need to engage in discussion with the demonstrators while renouncing the use of violence. If elections were to take place in Israel or in Germany, although it might be painful to see that the leader with whom you have been working on very good terms is replaced by someone unknown or perhaps more difficult to work with, this is the nature of political change. Trying to work with a leader's successor is not to be equated with turning one's back on that leader. Similarly, neither Europe nor America will turn its back on Israel, although they may hold and express different views on the best route to take in the pursuit of peace.

In a world of global upheavals and change, it is important that we defend our interests. At the same time, in such transformative periods one has to be aware of the need for painful compromises in order to be able to defend one's own interests in a reasonable way. The challenge is to understand how the transition, the transformation, can be shaped in a way to the benefit of all. Egypt is a country that has lived for decades with the possibility of

peace with Israel. It is now facing change and unrest, making it ever more important for Israel, and Germany, to do whatever possible for the benefit of the country, to the benefit of all people. On the one hand, President Mubarak deserves praise for his years-long engagement in the interest of peace and stability, and Germany has supported him in this effort. However, one cannot ignore the reality of the problems building up in Egypt that have led to the current outburst and demonstrations, whose extent remain to be seen. Nor can the right of Egypt's citizens to protest be denied, regardless of their President's role in pursuing peace with Israel. Therefore, Mubarak would be well advised to seek a dialogue with his people. The right to demonstrate is fundamental, and this freedom should be respected in Egypt, Tunis, and Iran, just as it is in Israel and Germany; this does not of necessity mean that all these peoples share the same values.

Most countries in the world have signed the Human Rights Charter, and in so doing have committed to a great number of shared values. These are indispensable if people are to coexist peacefully across the globe. If there were full compliance with the Human Rights Charter of the United Nations, then there would be fewer problems on the face of the earth. Nonetheless, shared values between countries do not guarantee the success of multiculturalism within a given country. Multiculturalism has failed, at least in Germany. In the early 1920s there were many immigrants to Germany from Turkey, Spain, Italy, and other countries, originally as foreign workers, because the local work force at the time was too small. Today the third generation of these foreign workers lives in Germany, but these descendants have not been integrated into German society. The leftists, who rejoiced in the multicultural influences upon German society, did not concern themselves with integration. The fact that Germany was undergoing change was overlooked, and the issue of integration was neglected. The immigrants did not learn German; they have not been able to attend classes or to earn degrees. Yet integration requires learning the language of the country and expressing a basic commitment to its values. Integration is not the same as assimilation; an immigrant may retain his or her religious beliefs and culture. But without integration, multiculturalism cannot succeed.

One of the biggest factors in global change is technology and its impact on politics and policymaking. Technology on its own is not sufficient to bring about change, but it can be a vital tool in helping to trigger change.

For example, the Soviet Union was technologically advanced but the people lacked innovative and creative drives. There was no encouragement of the individual to think independently, and no application of technology to social advancement. This created a society of apathy on the one hand and dissidents on the other, and in the end led to the collapse of the socialist system. Today's technology has revolutionized communications and has empowered the individual. The internet and cellular phones have enabled a free exchange of views and the organization of uprisings, as seen in Iran and now in Egypt. This does not guarantee the creation of a democratic culture – the political implications depend on how stable or calm the political climate is in any specific country – but it empowers the individual and creates transparency. Of course the Arab world differs from Europe in culture and education; for example, the Arab view of the role of women is quite different from the Western approach. Thus, in the sudden encounter between sophisticated modern technology and a traditional culture that has been unchanged for decades, it is not clear what the consequences will be for political processes.

In the dramatically changing world of late, one element that has remained unchanged for sixty years is the composition of the United Nations Security Council. The General Assembly has a rotating presidency for a term of one year each. This is problematic because there is no continuity. Furthermore, those member states that have a permanent seat on the Security Council are not interested in changing its composition by admitting other countries. Despite the inequitableness of limiting the right to veto to permanent members, it is not realistic to expect them to waive that right or share it with non-permanent members. A possible solution is to institute longer-term membership without permanent status. However, the balance of power as it presented itself at the end of the Second World War will continue to be reflected in the composition of the Security Council for much time to come.

Part II

Formulating National Security Policy

Does Israel Have a National Security Policy?

Yehezkel Dror

In assessing Israel's national security doctrine, it is important not to look to practice or formal documents alone, but rather to evaluate the two in their interaction.[1] A policy document by itself does not constitute a national security policy. The national security documents published around the world under different names – as in the United States, Britain, and France, as well as at NATO – are to a large extent aimed at public relations and do not confront many of the real problems faced. The French document, for example, does not include a chapter on the French and EU attitude toward Turkey, one of the most important issues facing the EU.

The question, therefore, is not only whether or not a national security policy document has been prepared. Rather, a national security policy is expressed largely in behavior. When examining a nation's behavior it is possible to draw a line – even if broken – between specific actions and to identify an emerging pattern which constitutes a kind of "national security policy in action." The pattern can be vague, resembling a Rorschach inkblot, but still carry some sort of meaning. However, the important issue remains whether this policy has been considered and designed holistically by policymakers. In other words: Is there a coherent approach, expressed in well thought-out documents, based both on operational doctrines and long-term principles that are applied systematically in a changing environment with judicious flexibility and ongoing learning? Or, at least, does actual behavior reveal such an approach, whether set down in documents (public or classified) or not?

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1   The points made in this presentation are fully developed within a broader context in Yehezkel Dror, *Israeli Statecraft: National Security Challenges and Responses* (London and New York: Routledge, 2011).

Israel's national security policy meets many of these criteria, although it needs many, including some radical, improvements. This evaluation applies not only to Israel but to other countries as well. The universal difficulty is rapid and radical change, with new and unprecedented problems constantly emerging. Therefore, there is no scope for rigid principles, other than on a very general level. And, indeed, the word "solution" with respect to national security challenges should not even appear in the lexicon. Nonetheless, national security policies can be effective only if thinking in the long term, though the actual path requires constant adjustment to the changing topography.

But rapid non-linear change should not serve as an excuse for avoiding conscious design of national security principles, however elastic and adaptable they must be, given persistent challenges as faced by Israel. This is all the more true and feasible, however cognitively demanding, as much of the rapid change is more on the surface of the deep streams of history. These can serve as a main basis for a long-term elastic and adapting national security policy if the policymaking culture is good at thinking-in-history and coping with hard uncertainty – which, however, is not an easy requirement.

A case in point is the Arab-Israeli conflict. Looked at in terms of systems dynamics, it has a strong and rather stable momentum at its core, with current events changing all the time and being often unpredictable – but leaving the core momentum rather stable for time spans relevant for national security policies, even at their best.

Thus, given the grounding of the momentum in deep-rooted Arab hostility to the existence of a Jewish state in the "land of Islam," there is a near certainty of periodic violence and other hostile explosions, taking in part novel forms – though specifics are often unpredictable and in part inconceivable in advance.

Accordingly, Israel's national security policy must seek ways to intervene in history with a critical impact adequate for bending history's trajectory toward peace, or at least toward less violence.

Given this fundamental national security requirement, several practical conclusions emerge, including as follows: First, the national security policy must fully integrate political and military-security considerations. For example, in times of conflict, the importance of Israel's standing in international public opinion must be taken seriously into account, and

not only battlefield results. Second, a maximum effort is needed to reach at least a modus vivendi with the Arab and Muslim world as a whole, even if this requires some "gambits" in the sense of lesser immediate and local achievements. Third, national security policy should revamp Israeli deterrence, which requires radical innovations as recommended by the Winograd Commission. Fourth, the national security policy has to clarify what from Israel's perspective constitutes a decisive violent collision outcome, including three components: minimizing damage to Israel; reducing the other side's capacity to attack in the future; and reducing the other side's desire to attack in the future (by demonstrating to all actors in the Middle East and beyond that Israel cannot be defeated). And fifth, Israel should play a much more active part in bilateral, multilateral, and global affairs, such as strengthening its special relationship with the US, rebuilding and building bridges with as many Islamic and Arab countries as possible, strengthening relations with the European Union and main Asian countries, and engaging in "mending the world" global initiatives, including at the UN.

However the most important required paradigm shift resulting from insight into the Arab-Israeli conflict dynamics is to refocus peace efforts from myopic engagement with the Palestinians to advancing a comprehensive greater Middle East agreement (including, inter alia, the Palestinians), in part based on the Arab-Islamic peace initiative (lack of adequate response to it having been a serious Israel policy blunder).

In order to design its national security policy effectively, Israel needs both decisive high-quality senior political leadership and a highly professional national security staff and other staff units. In fact, Israel has suffered for quite some time from a lack of leadership and statesmanship, with all too few exceptions. Staff work needs much more professionalization and also much improvement regarding its interface with the political echelon.

Because the Jewish people has no tradition of having a state, statesmanship has no historic basis, nor has the Jewish people had a political elite. Values-based, ideological differences of opinion hinder critical decision making. And it is difficult to balance the exuberance of the historic successes of Zionism with understanding of the limited potentials of reality. Thus, based on what is publicly known, it is hard to escape from the impression that the Prime Minister lacks an adequate realistic vision of which direction to take in the peace process. An essential requisite for statesmanship in the face of

a tough problem is the ability to make up one's mind after due reasoning. This seems to be difficult for the upper Israeli political leadership, which often tends to "dither" in the face of divisive and vexing issues even when clear choices are called for.

Concerning professional staff work, there persists a strain of anti-intellectualism on the part of intelligent people, a lack of "praxis" – the integration of sound theory with realistic recommendations – and problems of inadequate professionalization. Relations with the political echelons and bureaucratic politics also serve as spoilers.

The universities, too, share responsibility. They have not done enough to train national security professionals. And academics tend to be dogmatic, both right- or left-wing, and therefore their contributions to national security policy are constrained, all the more so as there is no Israeli tradition of movement between university and advisory positions in government.

In conclusion, three recommendations: First, the Prime Minister and the Defense Minister must reach clear-cut decisions on the peace process and fight for their implementation, even if this involves political risks. Second, it is necessary to upgrade the professionalism of the assessment and planning units. Third, the entire "strategic culture" requires much improvement, all the more so as relevant recommendations of the Winograd Commission have not been implemented.

On a more basic level, the quality of the top level politicians needs much improvement; and the political system needs reform so as to provide the democratic power needed for making decisions on divisive issues and implementing them. But these issues are not unique to national security matters and require separate consideration.

Does the National Security Council Have a Chance in the Israeli Political-Security Reality?

Giora Eiland, Efraim Halevy, and David Ivry

Giora Eiland:

In discussing the National Security Council, what is often said in politics also holds true here: the question is not whether it is good or bad or what it does; the question is how the prime minister wants to conduct matters of state. In fact, that starting point determines everything else. Without delving into political or cultural constraints, it can be said of at least the last four Israeli prime ministers that they preferred to skip the stage of the staff preparatory work. This may be due to their belief that they already knew what was necessary; or because of political reasons, since it is impossible to share ideas with potential political rivals, and both the foreign minister and the defense minister are often political rivals; or because of concerns about leaks; or other reasons. Usually, the result lacks a component that Ehud Barak used to describe with the following Jewish saying: "The outcome depends on the premeditation." In other words, in order to succeed, one must plan ahead. Unfortunately, one often sees that this is not exactly how things happen.

For example, Operation Cast Lead in the Gaza Strip, some two years ago, was, militarily speaking, a reasonably successful operation, certainly in comparison with the Second Lebanon War. Perhaps the circumstances were also somewhat easier for the IDF. Still, astoundingly, four days *after* – not before! – the start of the operation, there was a central argument about the most important question: What was the objective of the operation? The government was divided into three groups. The first took the approach of a limited objective of achieving deterrence, to deliver a blow to Hamas that

would make it understand that aggression is not worth its while. The second group believed that deterrence was not sufficient, because Hamas could later adjust its calculations and decide to shoot, and therefore the objective must be to damage Hamas' military and arms smuggling capabilities. Finally, the third group, which included Haim Ramon, believed that the objective must be wider still, and political, i.e., to topple the Hamas government.

The military implications of each of the three objectives are highly significant and differ widely from goal to goal. If the objective is only to achieve deterrence, it can be achieved by a very powerful, concentrated, aerial attack alone. If the objective is to damage the military and arms smuggling capabilities, it is necessary to conquer or at least to occupy large areas with ground forces, actually attack Hamas operatives in their tunnels and depots, destroy their rockets, and take control of the Philadelphi strip in order to prevent smuggling. If the objective is to topple the Hamas government, then apparently it is necessary to conquer the entire Gaza Strip, including the city of Gaza, and control the entire length of it over an extended period of time in order to generate a political change, similar to the American strategic objectives in Iraq.

The argument is a legitimate one. What is not acceptable is starting it four days into the operation instead of long before its beginning. The problem is not necessarily with the staff, but, rather to what extent – if at all – policymakers have the patience and will to demand such a discussion before the military decision is made and before military plans are presented. When the prime minister does not want to hold that kind of discussion or does not deem it necessary, it is very hard to create successful staff work.

However, if the prime minister genuinely wants proper implementation of decision-making processes in matters of importance to national security, then he must do something relatively simple. Out of the seven million citizens of the State of Israel, the prime minister must select one individual whom he trusts and also feels comfortable with on a personal level, or even on a political level. This person also should enjoy the prime minister's faith in his capabilities and experience in the relevant fields. The prime minister should make it possible for the person to assemble a staff of a maximum of 20 people, with only four functions. If the staff is able to fulfill these four functions properly, there will be a significant improvement, unrelated to the larger questions of political structures and so on.

First, this staff sets the agenda for regular (possibly weekly) meetings of the Cabinet, the Forum of Seven, or whatever forum is defined. Clearly, in the higher echelons, the main question is not what decisions are made but what is brought for discussion. Second, when deciding on the topic or when there is a topic at hand, the staff must do the preparatory work and come to the discussion with a clearly understood argument. In my experience in various military capacities as head of the Operations Directorate and head of the Planning Directorate, I would often come to Cabinet meetings and ask myself: What is the subject? Who is involved? Why? What has to be decided? What is the purpose of this discussion? It was never clear. Naturally, the discussion reflected this. Therefore, preparation for these discussions must be at the level of checking facts and data before those at the meeting simply toss around numbers. Third, the staff leader should conduct the discussion. This means that if the topic is not just an intelligence report or a situation survey but an issue requiring decision on a course of action (for example, the case of Operation Cast Lead), then it is necessary to present, in an objective fashion, the three or four relevant alternatives. Someone has to moderate this discussion and present the material in a coherent, organized fashion to cover the widest possible spectrum, rather than begin right away with, "So, what are you proposing to do?" Fourth, after the decision is made, it is necessary to assign someone the responsibility of ensuring that the decision is implemented and that the derivative decisions are also made and carried out. The prime minister will often end the discussion by saying, "So it's necessary to do a, b, and c." The staff leader must translate this into military terms of forces and missions – who does what and how and when – and must also maintain supervision and control.

All of this is not so complicated, and anyone who has worked in staff positions in the army knows that an army staff has a clear definition in terms of its function and knows how to do this in a fairly straightforward way. All that is required is for the prime minister to recognize the need for this. As long as that recognition is lacking, nothing can really be achieved.

Efraim Halevy:
I was appointed head of the National Security Council by Ariel Sharon around the time that he also established the Ministerial Committee on Non-Jewish Citizens in the State of Israel, to focus on questions related

to Israeli Arabs. Then, Prime Minister Sharon decided that the staff of this committee would be the National Security Council, and he gave me the responsibility for preparing the first discussion. Before presenting the committee's recommendations, I consulted with Mr. Sharon: "Mr. Prime Minister," I said, "there are four possible ways of approaching this topic. Are we relating to the Arab minority in Israel as a national minority? Are we relating to the Arab minority in Israel as a religious minority? Are we relating to the Arab minority in Israel as a cultural minority? Or are we relating to the Arab minority in Israel as individuals? Because each one of the alternatives has implications, and I want to hear from you whether you have a particular vision for your strategy as prime minister." Prime Minister Sharon listened to me attentively, as always, and then he smiled broadly and said: "Efraim, my friend: I want you to make a recommendation to me about building a soccer field in Sakhnin. That's what I'm asking you to do. All the rest – leave it to me."

A second story is about Yitzhak Shamir when he was prime minister. At the time, I was deputy head of the Mossad. We were concerned about Syria's intentions and whether then-President Hafez Asad wanted peace with Israel. Then-head of military intelligence Uri Saguy made vehement claims that Asad wanted some type of peace treaty with Israel. Uri Saguy and I went to see Prime Minister Shamir and we explained, "Mr. Prime Minister, we would like to sit down and examine this whole matter in a serious way." Prime Minister Shamir answered, "I'd like you not to do that. You need to concentrate on one question only: Are there signs indicative of war? That's your job. Signs indicative of peace – that concerns only me. Why? Because I know what price I have to pay for peace. That's my decision, whether I want to pay the price or not. That's a political decision, not a decision about whether we want negotiations with Asad, but rather if I want peace at such-and-such a price. That's none of your business. It's not even the business of political planning. It's a matter of a strategic decision of the leadership, of the Cabinet." And he was right.

I relate these stories because there is an incorrect approach, focusing too heavily on the idea of intellectualized decision making. As with much else, there is theory, and there is reality. There is learning, and there is action. There are wise people, and there are workers. In this instance, the National

Security Council represents the workers. In the world of workers, reality is different.

With the situation in Egypt, for example, one can always ask why the national security policy staff failed to foresee events. This, however, is an impossible mission. A suggested alternative, presenting various possibilities, is often not satisfactory because policymakers are not always helped by seeing only a list of possibilities. The national security staff is then in the position of determining which possibilities are more likely and which less likely of being realized. This relies on particular definitions of "high probability" and "low probability" that themselves are difficult to set. For that reason, the exercise is often not valuable to policymakers.

A better alternative is to focus not on a forecasting role but on an advisory role and on the choice of the particular advisor. In the United States, for example, the most successful advisors have been those whose outlooks were close to those of the president of the same period. Henry Kissinger, close to President Nixon and with a similar worldview, steered policy on the basis of his own understanding, with or without a particular document. When Kissinger was National Security Advisor he steered policy on China as well as the détente policy with the Soviet Union. This was not the result of staff work but was based on his worldview.

Therefore, in the final analysis, this is not a matter of science or political science but of the personal relationship between the prime minister and his advisor. If his advisor has the same approach as he – and I stress the word "same" – the advisor can tell him, "Mr. Prime Minister, what you're thinking here is wrong; I think we're about to make a mistake." "We" – not "you." "We" are about to make a mistake, because you and I are the same in this matter. A national security advisor can have an impact when he or she has this type of relationship with the prime minister, especially if that relationship is grounded in worldly wisdom and public experience and the ability to perceive the connections between different issues.

In conclusion, the role of the national security advisor is not to make political decisions, as demonstrated by the stories of Ariel Sharon and Yitzhak Shamir. It is also not necessarily to forecast, as indicated by the difficulties inherent in such a role. Rather, the role is to be a comrade of the prime minister, a source of advice that the prime minister can trust, whose

advice is not grounded in scientific predictions but in real-world wisdom that can shed light on a subject without too great an insistence on methodology.

David Ivry:

The National Security Council is supposed to be in charge of the national security concept. In practice, playing that role is complicated by the nature of Israel's political system. By its nature, a coalition government cannot obtain political approval for a security concept. In 1997, I headed a team that discussed security concepts. When we started the formulations, I came to the conclusion that I would be unable to put together a document that the government would approve. On borders, for example, every political party has a different view. The chance of coming up with a government-approved security concept is zero. So we started to formulate an anemic document, one that the government could in fact approve. This is not truly a security concept, but a document that enables its creators to claim that they completed the task.

Furthermore, in practice, principles are often sidelined by day-to-day events. Government discussions are often rejected or postponed following a terrorist attack. Those familiar with Israeli government practices know that every day an emergency overrides a principle, and therefore it is very difficult to conduct discussions of principles.

In practice, the defense establishment prepares a multi-year program, insulated from discussion of day-to-day events, and therefore is able to take initiatives on long-term planning. Through this multi-year plan, the defense establishment's program creates a security concept. The National Security Council should do the same thing: prepare an integrated national multi-year program. However, the Finance Ministry will not allow the National Security Council to do so. The Finance Ministry resembles a corporate financial vice president: interested only in balancing profit and loss. Today, the Treasury, rather than the NSC, is indirectly in charge of national security and the multi-year program, because it can set conditions for a plan or program to be implemented. These conditions can, in effect, render any multi-year national security plan moot. In setting these conditions, the Treasury's interest is devoted exclusively to the budget and balances and not to national security considerations important to the National Security Council.

Therefore, the NSC should be in charge of a multi-year program based on a national security concept and into which the prime minister can insert national projects. However, the NSC can fulfill this function only if it has a backbone, in the form of personnel placement and/or budget control. In order for the National Security Council to have the capacity to play this role, the budget division of the Finance Ministry must move to the Prime Minister's Office. As it stands, the Finance Ministry both plans the budget and implements it. This reflects a lack of proper institutional balance. The proper balance between planning and execution involves execution by the treasury and planning by the budget division in the Prime Minister's Office. Such a balance would ensure mutual reinforcement. The budget division need not be subordinate to the NSC; it can be part of the Prime Minister's Office coordinated by the NSC. What is critical is that the system for planning also be empowered to implement; otherwise, the planning is meaningless.

This process carries significant implications for governance, because in this case the prime minister would also have the opportunity to affect the national security concept through the budget, since the budget is the primary tool for this issue. Therefore, this is virtually the only true way of achieving a more correct use of the NSC's capabilities.

Arriving at a national security concept is in any event impossible given a coalition-based government. On the other hand, the National Security Council could be responsible for setting a multi-year program. Such a multi-year program could become part of public policy because its recommendations would become part of the budget. This would give a number of government institutions a greater incentive to work with the NSC.

Finally, on the issue of the personal relationship between the national security advisor and prime minister, it is a mistake to construct a national organizational approach based on personal relationships. Relationships naturally fluctuate, from excellent to poor, and they cannot be the basis upon which national security is determined.

The United States:
The Making of National Security Policy

John Deutch

The range of foreign policy issues that demand United States leadership as well as observation or involvement is vast. It begins with Afghanistan and Iraq and extends to China and East Asia. It includes Iran, Africa, the Middle East peace process, Russia, European affairs, functional areas of energy and climate, economic matters, non-proliferation and the role of nuclear weapons, counterterrorism, and the unrest in Egypt, Tunisia, Yemen, and Lebanon.

In the United States, national security affairs are managed by the National Security Council, which is established by law. There is a core set of agencies and figures that in all cases participate in this management process: the Department of State, the Department of Defense, the intelligence community, the Joint Chiefs of Staff, and the United Nations ambassador. The concern of that core group is with political-military affairs. With other matters, additional agencies may participate. For example, on issues of homeland security and terrorism, the FBI, the Department of Justice, and the Department of Homeland Security are added. In the case of economic affairs, the list is expanded to include the Department of Treasury, the National Economic Council, the trade representative, and other agencies that are warranted by a particular issue.

In practice, management of the National Security Council and its activities is conducted by the national security advisor, who works for the president and is the president's representative in discussions that define the issues, set the agenda, and regulate the process among the principals, the deputies, and the working groups that execute the business of the National Security

Council. Several observations from an American perspective are in order here.

What does national security cover? How large a definition does it have or does it deserve? In Israel, the central issue is of national survival and continuity. In the United States, the definition of national security continues to expand. It begins with political military matters and goes on to address much broader economic questions, climate change, and issues having to do with the stability of the global financial system, such as poverty. Thus it is certainly true that while a good definition of national security covers all affairs that affect men and women and all affairs that affect international and domestic issues, as a practical matter the larger the definition, the more difficult it is to manage national security competently.

The second observation is that national security policy documents are almost always a disaster. This is because in formulating a national security policy, words are assembled by a large group of people who try either to cover up differences by ambiguity or to guess the intentions of the president. They therefore produce a document that usually overstates matters or does not clearly address issues in a way that is useful to the public and certainly not to allies. There are some marvelous examples of this. The national security policy issued at the beginning of the George W. Bush administration hounded him for a period of time because it left in such great ambiguity what he and his administration saw as the role of nuclear weapons for the present and for the future. The Obama administration has had a most difficult time issuing a national security document that conveys clearly what its objectives are in Afghanistan. National security documents are therefore not useful in deciphering the policy, doctrine, or practices of the United States. For that, one must look at what is actually happening – which matters are being addressed and how.

The third remark has to do with the United States' untenable separation of domestic and foreign policy matters. The US has a very well organized national security system that covers national security matters. But when domestic issues overlap with foreign policy issues, they have not been handled in any administration, now or in the past, with any coherent coordination between the domestic and the international aspects. Other countries, like France and Israel, undoubtedly do a better job of this. But in the United States it has been a chronic problem, especially in the area of energy. For example,

the US currently is hard pressed to reconcile its long term concerns about strategic competition with China with the internal economic or political consequences of having China as such a large holder of US dollars and such a large exporter of goods to the United States. This discord between domestic and foreign policy is extremely serious, especially when political leaders tend to speak to domestic audiences without considering the potential international implications – or vice versa.

The fourth point concerns a vital shortcoming, namely, that the National Security Council (and its apparatus) has very little analytic capability. In order to draft a coherent, national multi-year plan about where the country should be headed, there must be some capacity for planning and for assessment of the execution of programs. In the United States, however, there is very little capacity at the national security level for such coherent planning. That capacity, to the extent it exists, is in the component agencies.

The result of that lack of long term thinking and planning at the national security level means that the National Security Council policy process functions best when it is responding to short term crises. In a crisis, the system works magnificently: working groups are formed from the component agencies, and they prepare papers that present options for the National Security Council principals, and ultimately, for the president to consider when making a decision. In the absence of a crisis, however, it is difficult to focus the attention of the principals on serious issues. Good crisis management does not lead to good long term policy, and there are many examples of this. The United States deployment of troops to Somalia, Haiti, and even Bosnia and Kosovo were done well as a response to a crisis, but less so as part of long term thinking about what such action would augur for United States foreign policy interests or for the people in need of help.

There are many current examples of where attention to the short term obstructs formation of a longer term view, including Iraq and Afghanistan. The US approach to the Middle East and to Islam – as well as its current reaction to Egypt – reflects the same attention to a short-term response as opposed to long-term thinking about what its interests are over a multi-year period. This long-term effort in defining national security policy refers not only to political and military activities, but also to economic assistance and cultural efforts.

Another vital shortcoming of the US system is that the National Security Council is involved little in resource allocation. The problem of resource allocation, in terms of both quantity and purview, is left to the various departments and agencies that are only partially regulated by the Office of Management and Budget, and much more to the bilateral relationship between the Congressional committees that have authority for voting on allocations in Congress and the individual agencies. The National Security Council can and sometimes does intervene in a particular situation, but it does not lay out a long term allocation of resources to different activities. This means that people who want to influence resource allocation (industries and their lobbyists in Washington, for example) respond at the agency level. They seek to apply their influence at that level, and they do so quite effectively, often misunderstanding US intent. Consider, for example, the magnitude and character of arms sales to Taiwan, the competition between the European manufacturer EADS and the US manufacturer Boeing to build a tanker, and the issue of export controls. All of these are matters handled at the departmental level, where the bureaucracy and the mission of that particular agency are frequently in conflict with a broader national purpose.

Only the Department of Defense has a resolute, multi-year, disciplined planning process that lays out for a five-year period the programs to be supported, the amount of money they will receive, and how they will be managed. Occasionally, the Department of Defense even outlines explicit measures and performance milestones to be achieved, because after all, the most important part of national security policy is the execution of the decisions that are made.

The strength of the Department of Defense in having a robust planning process notwithstanding, the political dynamic of each department negotiating largely separately with Congress for its funds means that the Department of Defense becomes stronger than other agencies. The latter do not catch up and gain the kind of capability that they need to address the new threats that the United States and the rest of the world face. This particular problem bespeaks a very serious shortcoming in the United States.

Another observation concerns the role of the press. Despite the accepted idea of a free press in a democracy, this is a serious issue that significantly affects the effectiveness of diplomacy and the ability to reach responsible national security decisions. Indeed, the matter of leaks is of the utmost

seriousness. The United States intelligence community has a history of producing national intelligence estimates. Today, they are frequently declassified in advance of their dissemination in order for the administration to give its explanation instead of relying on a leak to determine how the public will receive this information.

Finally, there is the issue of international cooperation. The United States is called upon in every situation to look for international justification for its foreign policy actions. It certainly is an active and enthusiastic member of ASEAN, perhaps a bit less so of NATO, and perhaps even a bit less so of the United Nations. But it appears that one aspect of United States national security policy will be a continual emphasis on US interests and US bilateral relationships rather than a rush towards a greater multilateralism, although that is certainly part of its approach.

Two important issues remain to be resolved in the United States' national security policy system. The first has to do with managing counterterrorism in homeland security. For historical reasons, the responsibility for domestic security and domestic intelligence collection – to the extent that it existed – has resided with the Federal Bureau of Investigation. All foreign intelligence matters, on the other hand, have resided with the CIA and its director. This came about because of a poor personal relationship between J. Edgar Hoover and Allen Dulles, and the current arrangement was implemented as a means to settle a quarrel between them.

That division worked well as long as the security concerns were sharply divided into peacetime and wartime, into domestic and foreign, and other antipodal issues (for example, was a US citizen involved, or not). All of those distinctions have vanished with the emergence of global terrorism. The result is massive confusion about what governs policy formation for counterterrorism and homeland security, which results in less than effective means to pursue these matters. In many other countries – better organized than the US perhaps – domestic security and domestic intelligence are organized as part of the Department of the Interior. In the United States, on the other hand, the FBI is part of the law enforcement system and is located in the Department of Justice. This causes confusion, for example, about the first intent of intelligence collection. Is it for warning about and avoiding terrorist acts, or is it for law enforcement and punishment?

The Intelligence Reorganization Act of 2005 was ostensibly meant to harmonize this relationship by assigning to the new director of national intelligence a measure of authority over at least the planning and the direction of the national security activities of the FBI. In practice this has occurred less than was originally intended. In addition, there is a fundamental conflict of interest in placing the responsibility for domestic security and intelligence within the Department of Justice, which is required at the same time to manage these enterprises and also to be an honest judge of whether their activities are being properly carried out. The Justice Department, in other words, is asked to be manager, overseer, and evaluator of these activities.

This has left the US with several grave unresolved issues. The most obvious and serious one in the public debate concerns the rules for apprehension, detention, and interrogation of alleged terrorists. Rules for cyber security are also of increasing concern, to industry, individuals, and the military. Another issue has to do with covert activities around the world. Thus, respecting citizens' privacy and legal rights and privileges, while at the same time paying adequate attention to national security by obtaining warning and avoiding catastrophe, is something that deserves attention.

Another problem is that the Department of Homeland Security has yet to acquire the capability to be a major actor in the arena of national security policy. Beyond the considerable capability that resides in its component divisions – whether it is the Coast Guard or the Immigration and Naturalization Service – it lacks the means to put together a coherent plan for the possibility of a very large domestic catastrophe. With Katrina, for example, the then-head of FEMA said, "Mr. President, let me tell you something about the Federal Emergency Management Administration: we are resourced and planned to protect ourselves against natural disaster; we do not have the money or the ability to take care of human-concerned disasters." The US does not have a system with the capability to deal with these extreme cases. Thus the balance between law enforcement and its legitimate purpose, between managing national security and keeping within the rules, while maintaining the ability to defend the United States and provide warning from potential hostile activities, must still be addressed.

The second issue concerns the health of the intelligence community in the face of a wide range of new threats: counterterrorism, proliferation, and of course the instability and issues evident in the Middle East. In fact, the

intelligence community is still suffering from the mistakes that occurred in the 1990s. The incorrect estimate shared by many about the existence of weapons of mass destruction in Iraq, as well as the inability to predict the attacks on the United States on 9/11 (as if it were possible for any service to do this), have led to some public and official lack of confidence in the community, and therefore, some loss of morale within the community.

The directorship of national intelligence, set up under the 2005 Reorganization Act, has not worked as well as expected. The director of national intelligence does not have as much authority over the military-intelligence parts of the program as was originally intended. And certainly, the matters involving the national security divisions of the Department of Justice, the FBI, and the intelligence community have not been fully harmonized. Community staff has exploded from a mere forty or fifty in 1995 to something like 1,400 today. Thus much of the time of intelligence individuals in Washington is spent keeping an eye on each other rather than paying attention to the central functions of collecting, analyzing, and distributing information to senior policymakers.

Much needs to be done to strengthen intelligence for what is needed in today's world. Leon Panetta, who is now director of the CIA and who previously headed the Office of Management and Budget, is spending a good deal of his time on activities in Afghanistan, perhaps at the expense of providing analyses of where Afghanistan is going, where Pakistan is going, what US interests in that region are, and to which long term actions the United States should be paying attention.

In conclusion, what is the outlook for national security policy in the United States? Succinctly and provocatively put: Budgets are national security. With all the principals and organization and an endless number of meetings, if the resources are not planned, allocated, and executed in a sound way, there will not be an effective national security policy. Worse yet, there will not be a foreign policy that reflects national interests.

US defense budgets rise and drop repeatedly – and quite sharply. Only twelve years ago, the total budget of the US Department of Defense was about $345 billion; today it is $800 billion, although future increases cannot continue at that level. In looking at the history of US budgets versus US policy since the Second World War, one could ask if there is any correlation at all between them, but in any event, the defense budget is always certain to

rise and fall. Today it is about to drop, and likely quite significantly, because of the fiscal crisis and a very large increase in deficit in the United States. It is about to drop also because of "sticker shock," or what Professor François Heisbourg has more properly termed "the invention of Norman Augustine," which says that the price of a weapon system doubles over time. There is tremendous sticker shock in Congress, on both sides of the aisle, in reaction to the magnitude of these defense expenditures. The Joint Strike Fighter is one case in example.

There will likely be a decline in the budget, therefore, for national security as well as for defense. This includes the associated expenditures that are greatly needed in the State Department in order to carry out the operations and the economic assistance that make peacekeeping even a remote possibility in places such as Somalia, Rwanda, Haiti, Iraq, or Afghanistan. However, if there is a sharp reduction in a budget, those same national security objectives cannot be maintained. If the objectives remain unchanged but the budget is decreased, the character of the problem cannot be adequately addressed. The budgetary pressure will bring about a change in the United States' national security and foreign policy posture, to conform to the reality of the available resources. Whether this happens in a likely area, such as peacekeeping operations, is hard to predict. But there will be a significant change in the breadth and ambition of the national security policy that the United States has been pursuing over the past decade.

Countries address these vital issues of national security and national welfare very differently. Yet whatever their organizational character, they almost always encounter the same difficulties in trying to serve their citizens.

France: The Making of National Security Policy

François Heisbourg

Several years ago France found itself without a national security concept, doctrine, or organization, and a white paper was commissioned. Yehezkel Dror has criticized the "French White Paper on Defence and National Security" (2008) for not touching on relations with Turkey. Indeed, it does not mention Turkey; but the object of the exercise was to define some sort of conceptual framework fitting the times in which we live, as well as to establish theory, doctrine, organization, and practical measures that would hopefully be conducive to good policymaking.

A country that does not have an explicit national security theory – a comprehensive, broad-spectrum, cross-border national security concept – will be condemned to rely on implicit theories that have been inherited from the past. Such past dependency leads to poor performance in practical contingencies, as witnessed recently by the French handling of Tunisia and the Israeli handling of Mubarak. Moreover, neither does a solid, robust, and explicit national security doctrine obviously ensure good practice. This is borne out by the ineptness of both French and Israeli policy towards Turkey. Nonetheless, it can be stated that a robust national security doctrine, though not a guarantee, is a necessary condition.

What are the practical implications of not having a national security concept, doctrine, and organization?

Firstly, it implies the absence of an intelligence community, i.e., no coordination between counterespionage, external intelligence, financial-trafficking, and money-laundering. Secondly, the lack of a national security concept practically ensures no serious crisis planning or serious top-level, medium-level, and bottom-level crisis management capabilities. It means an inability to deal with crisis situations ranging from crippled energy networks

to threats to societal resilience. Until very recently, France did not have a top-level, crisis-planning organization that addresses these issues. France – the epitome of centralization – had no national-level crisis management center, the equivalent of Cobra in the UK, until a few months ago. Instead, top-level crisis management was conducted by gathering ten or twelve people in a small room in the Interior Ministry, with none of the tools required for dealing with a complex, multidimensional, multifaceted national security crisis. This is what happens when there is no concept, no doctrine, no organization.

The consequences of this situation were not grave as long as there was no severe threat of terrorism. Over 45 years, France suffered 400 casualties from terrorist incidents, about half within France and half elsewhere. That is substantially less than the US, Britain, Spain, and of course Israel. Nor has France suffered any major natural disasters Again, over about a 50-year period, the biggest disaster, industrial or natural, involved 200 people killed in one single incident. Very unfortunate, but not socially crippling. Thus, the country was able to muddle along without a national security concept, doctrine, or organization.

However, in recent years, two sets of events – or one set of deliberate events and one set of unintended changes – forced reform.

One, of course, is terrorism. Until the mid-1980s France had no intelligence community. But from that point onwards, owing to a set of unhappy coincidences in the framework of various terrorist campaigns that were taking place, some from the Middle East and some domestic, the government realized that it was necessary to break down the barriers between the various agencies in the counterterrorism arena. It was also essential to establish a solid, effective interface between the legal system and the intelligence system, which was successfully accomplished. France did not have the same problems as America during the 90s, for example, in that respect. But, of course, the shock of 9/11 hastened the movement towards adopting a national security concept. Additionally, it was necessary to contend with all the societal changes encompassed in a buzzword that has real weight and real consistency, "globalization."

Thus the government and analyst communities in France found themselves, in 2002-2003, starting to wonder how to extract themselves from their current situation.

Enter the serendipitous episode of avian flu, the H5N1 virus. There were great fears that this virus, which still exists, could be transmitted between human beings, and since its fatality rate is over 50 percent, there was a clear need for comprehensive crisis planning at the top level by the French government. The pressing question was how to ensure societal continuity (the term "resilience" was not yet in use) in an epidemic of H5N1, compounded by the subliminal threat of a biological terrorist attack.

The simple fact of having people start to work on this kind of planning made the civil service, the intelligence people, and the analyst community aware of the gaps in our system. This was quite an important moment. An additional moment of serendipity took the form – just after the Madrid terrorist bombings – of Dominique de Villepin, then Interior Minister, prompted by certain parties including this author, initiating a white paper on terrorism. This was carried out under his successor, Nicolas Sarkozy, with Villepin as Prime Minister.

The government's "White Paper" taught us what we needed to do. But what would have happened in a major terrorist attack with no top-level crisis management capability or top-level planning? Of course, the remedies were pointed out, but it was not possible to act on the remedies for domestic reasons, as happens in other countries. That is, the political system at the time did not lend itself to the resolution of basic questions such as where the crisis planning would take place and where the top-level crisis management capability would be located, not only administratively, but even physically.

Without the ability to answer these practical questions, France had virtually no capability to act. But then, in 2007, the political stars came into alignment, presenting a simpler situation with a President, a Prime Minister, a Minister of Interior, and a Defense Minister who were not, at least at the time, fighting with each other. This facilitated two events: one, purely administrative but significant, was the merger of two domestic security services into one larger domestic security service called the DCRI; the second very important one was the "White Paper on Defence and National Security."

The "White Paper" entailed one year of work by a commission, similar to the Israeli Winograd Commission in terms of composition, with 30 people divided into various sub-groups. What emerged in the summer of 2008, when it was formally adopted by the French state, President, and government

sitting in council, was the following: First, we adopted national security as a category, as a concept. Though obvious to the Israelis and the Americans, for the French this was a new idea. Second, this category was broadly defined. That is, it covers cross-border challenges as well as any domestic-situation contingency that has a bearing on the security of the nation at large.

It should be noted that this did not happen easily. The internal fighting between various parts of the government surrounding the adoption of such a concept was extremely virulent because some ministries immediately understood the threat to themselves and to their bureaucracies. The Interior Ministry, for example, discovered that it would have to conduct crisis planning. Culturally, for the French Interior Ministry, the notion of planning for a crisis was totally alien. A crisis was treated as a daily event, not one that required long term planning, as in the military.

This kind of change is not made easily. Unwittingly, practical help came from America in the form of Katrina. Although the hurricane that hit New Orleans in 2005 was not a priori a national security threat, five days after the hurricane struck, the government sent in the 82nd Airborne Division (the division that led the paratrooper landings in Normandy during the night between June 5 and 6, 1944). So Katrina actually helped swing the discussion at the highest levels when it came to adopting and defining national security as a concept and as a category. In a much more conceptual way, we were also helped by two individuals, Sir David Omand of the UK and Eli Levite of Israel. Both of these "theoretician-practioners" had a very significant intellectual influence on the way we viewed national security and how we framed our concept.

The second change, which flowed of course from the previous one, was to the decision making machinery. At the presidential level, where there used to be a defense council that made forward-looking decisions in the military arena, and an interior security council that was supposed to (but rarely did) fulfill a similar function in terms of domestic security, today there is a single National Security and Defense Council, which is a decision making body, not a bureaucracy.

We did not adopt the American concept of a National Security Council simply because like the UK, France has a Cabinet government and Cabinet departments. On this there was widespread agreement. But there was also a perceived need to create (and this was one of the "White Paper"

recommendations) an advisory security council. Members of the council would be selected for their breadth of vision and for their diversity of experience to support the president and his staff when national security issues were being discussed – either in the planning phase or in the policy phase. This council has not yet been set up.

Another decision was to set up the crisis-planning and the crisis-management machinery. In practical terms, a large hole was dug in the garden of the Ministry of Interior, which is 100 meters away from the president's office, creating the long-needed National Security Crisis Management Center. It was completed in about one year's time.

As to doctrine, three innovations were established. The first one was analytical, known as *ruptures stratégiques*, strategic breaks in existing patterns (non-linear disruptions, in mathematical language). *Ruptures stratégiques* in a complex, multidimensional, globalized environment are becoming greater and more frequent. Such ruptures are, by definition, not readily predictable either in terms of their phenomenology (when and how they occur) or in terms of their starting point. At the same time, the comparative advantage of a country like France (and probably many others) will lie in being able to recognize as soon as possible when a *rupture stratégique* is on the verge of happening or when it has begun, and of course understanding how it could spread and how it could evolve. In the age of globalization, something that became clear at the analytical level was how rapidly challenges alter their nature at different stages of their development. Health problems – for example, SARS, or bird flu, or a viral attack – start as health problems, but they can evolve very rapidly into a full-blown national security crisis.

The second doctrinal element, an outgrowth of the first, was recognizing what is called *connaissance et anticipation*, "knowledge and anticipation," which can also be termed "knowledge-based security." This had to be recognized as a full-blown strategic mission, alongside the traditional missions of deterrence, intervention, protection, and prevention.

Here, again, this did not occur without some very difficult battles, well known to those familiar with Ministries of Defense everywhere – but also to be found in the Ministry of Interior – between those who want more shooters and those who want more information gathering, information processing, and information-distribution assets. Further, the recognition of knowledge

and anticipation as a stand-alone strategic mission was correctly seen as a threat to the preexisting balance between money spent on "effectors" and money spent on "non effectors."

In this area, assistance was inadvertently provided by Israel. In early 2008 Israel launched its first radar spy satellite, TecSAR. This prompted the French to examine the Israeli space program more closely, which led to the realization that Israel, which knows the value of effectors, had found their own balance between effectors and information gathering, processing, and distribution. This was of help to the French in defining their own mission.

The third doctrinal aspect is that of planning societal resilience (the term "resilience" reflects the influence of David Omand). Societal resilience does not occur spontaneously. This can be seen by contrasting Madrid on March 11, 2004 to Britain on July 7, 2005. A terrorist act in Madrid essentially led to regime change in Spain within 48 hours by an infuriated electorate. There was no resilience in the system whatsoever. Conversely, when Britain suffered a similar type of attack the year after, the terrorists failed miserably, despite the fact that many people were killed, because the British had been planning and organizing resilience.

Another outcome of the "White Paper" was the decision to establish an intelligence community. While this idea may strike others as alien, the French believe that nothing comes about without prior announcement. Work commenced with a high level of cooperation between the chiefs of the various services, perhaps an indication of what the Russians call *pokazukha*, i.e., no one wanted to be seen as overtly challenging what appeared to be the will of this high-powered body.

In any event, there followed the establishment of a National Intelligence Council and the creation of the Office of National Intelligence Coordinator. Bernard Bajolet was appointed to this position several weeks after the issuing of the White Paper.

Finally, let us examine the budgetary measures. It so happens that France began moving from 2010 onwards into three-year defense budgets, and longer-term (commonly six years) military planning bills, which are less binding than the budgets. Theoretically, at least, a similar process was unfolding in the Ministry of Interior, which a few years earlier had begun to dabble in multi-year planning bills. One of these was launched as part of the "White Paper" process, which included increased spending, mainly for

CRBN-related contingencies, resilience, planning, and the reorganization of the Ministry of Interior to include a Crisis Planning Directorate.

When placing such a high premium on knowledge-based security, it is imperative to have an accurate understanding of threats in cyberspace. This led to the establishment of the Cyber Defense Agency, which was formalized last year.

These were the basic decisions, including the funding package, that comprise the "White Paper," planned with a life span of into the early 2020s. Built into the plan is a moderate increase of about 1 percent a year above inflation, reflecting fairly good coherence between the goals of the "White Paper" and the planned budget. Within the financial envelope of the "White Paper" are the doubling of the space budget, which includes the various types of spy satellites, missiles, early warning, elint, optical, and other systems; significant increases in the Intelligence Security Services budget; and a budget for resilience development.

This all took place in 2008. What has transpired since? What lessons have been learned? First, it should be noted that the French had to start this entire process from scratch, building from nothing in a few short years.

One positive achievement, at least on a theoretical level, was the 1 percent real increase over a 15-year defense span. This is attributable to the fact that much of what was prioritized in the "White Paper" corresponds to the logic of Moore's Law. This law, which is very relevant to information technology, information gathering, and information processing states that at a constant price, the capability of a computer chip doubles every 18 to 20 months. This has held true ever since Dr. Moore formulated his empirical law some 45 years ago. In contrast, Augustine's Law entails the doubling of the cost of defense platforms with every change of generation. Thus, over time, performance according to Moore's Law will be superior to that according to Augustine's Law at a given level of budget spending.

A surprising discovery in the area of procurement was that some of the basic elements of force projection east of Suez – the Persian Gulf, the Red Sea, and the Western part of the Indian Ocean – could be attained at costs lower than initially expected. This is due to the ability to change basic policy, evidenced by the French opening of a base in Abu Dhabi. Additionally, the introduction of civilian procedures in shipbuilding has enabled substantial

cost savings in some of the French force-projection vessels of the "Mistral" class, entailing very positive trade-offs.

On the worrying side, there are budget constraints. An economic crisis, a *rupture stratégique* of the first order, occurred within months of the issuing of the "White Paper." In the short-term, tri-annual defense budget this entailed only marginal cuts. To date, the reductions of the 2010-2012 period will probably total less than 1 billion euros, insignificant compared to aggregate spending over those three years of around 100 billion euros. However, what is of greater cause for concern is the prospect of future spending cuts (bearing in mind that in 2012 presidential elections will be held). The cost of the economic crisis will need to be paid over the next five to ten years and will necessitate additional cuts. This is a difficulty shared by most industrialized countries (at least those of North America, Western Europe, and Japan).

In France, when this occurs, there is a tendency to spread the reductions equally among all of the services in order to avoid turf battles. While this may be bureaucratically pleasing, it blurs the sense of priorities. Moreover, old programs tend to survive better than new ones, for the wrong reasons. Future jobs, not yet created, are lost when planned programs are cut, but cuts to existing programs are much more painful because they involve destroying jobs that already exist. Finally, big programs suffer less than small programs, which is another way of saying that Augustine Law programs – which tend to be the costlier ones – survive budget reductions better than small Moore's Law programs do. The sense of priorities is thus lost. In the French case, this occurred most acutely in 2010 and 2011, when the military space budget was nearly halved instead of doubled. That is a serious cause for concern.

A second less acute concern is the process of creating an intelligence community, which is difficult to achieve. There are cultural problems and budget-oversight problems, as well as tensions between what happens at the center (i.e., the presidential office in France) and what happens at the relevant ministries. It is too early to judge the French performance in this regard, although progress has been encouraging.

A third and serious worry involves societal-resilience spending, which is virtually non-existent in France. The sense that it is actually worth spending money on future disasters – whether deliberate or inadvertent, man-made or natural – has not rooted itself sufficiently in the French bureaucracy and society.

The fourth important concern is the lack of policy integration. On one level, France failed to establish the national security advisory commission, which would normally have been in a position to provide what can be termed "integrative capacity." On another, more critical level, such integration will only be as good as the quality of the top-level governance. For example, the French mishandled Tunisia, for which the President apologized at both the substantive and at the psychological level. He deserves credit for apologizing, unusual for politicians, but it would have been preferable not to need to apologize. Israel currently faces a similar problem posed by the events in Egypt.

Returning to the opening point, whoever the players are and whatever their inter-relationships, it is critical for a government to get the theory right, get the doctrine right, and have the organizations in hand. France has come a long way in these areas; the quality of its governance, which is of the essence, is beyond the scope of this paper.

Part III

Economics, Law, and National Security

The State of the Israeli Economy

Stanley Fischer

This paper addresses issues concerning the world economy and that of Israel; the importance to the economy of the discovery of gas and perhaps oil; and the connection between the economy and the defense burden.

Forecasts and data from the International Monetary Fund, updated in January 2011, show that the United States is beginning to come out of the recession, with an expected growth of 3 percent, though most observers expect it to be higher. The Euro Zone is experiencing much lower growth, and the emerging countries are returning, or already returned a year ago, to very rapid growth. General wisdom among economists states that if China is to succeed in reaching higher income levels and ultimately reach Western standards of living, it must grow at a much faster pace than the West before the two can begin to converge. This is what China is doing, and this is the great success of the framework built by the Western allies after the Second World War. Global economic achievements since 1945, in spite of the recent crisis, are unprecedented in economic history. What is happening now in China and also in India is unprecedented, and these are positive developments that are beginning to change the world.

The mood in the world economy has improved tremendously. At the recent Davos conference, participants were very optimistic, though some expressed the requisite perfunctory concerns. The world economy is in a much better state than was expected a year ago, and significantly better than had been expected two years ago. This is also true of the Israeli economy. The Bank of Israel forecasted growth in 2010 at a rate of slightly less than 4 percent. During the entire year the data indicated that growth would exceed this rate, and at the end of the year, the Central Bureau of Statistics released its first estimate of growth for 2010, showing growth of 4.5 percent. This

is only the first estimate, which could and will definitely change, though it is not clear in which direction.

The five-year period between mid-2003 and 2008 was one of impressively constant high growth in Israel. There was almost no period of twelve months in which growth did not reach 5 percent, including in 2006, during which there was a war, and there is every reason to expect that the economy will continue to be strong and robust. The forecast for 2011 – 3.8 percent growth – is the estimate from four months ago. When the Bank updates the growth figure in another two to three weeks, this number will rise. Thus, Israel is apparently returning to growth that is slightly less rapid than that of 2003-2008, but very respectable.

Another positive aspect of the Israeli economy is the surplus in its current accounts since 2003. This surplus rises and falls, but is established, and it is something that no Israeli would have expected twenty years ago. This is one of the sources of the strength of this economy. The surplus derives not only from transfer payments received from abroad; it is also due to a total of Israeli exports of goods and services that exceeds imports. Without any American aid, without any other payments or remittances, Israel is succeeding in exporting more than it is importing, and this is a significant change in the structure of the economy and in the sources of growth in the economy. This represents an enormous achievement for the private sector in Israel.

The exchange rate is a subject that causes worry. The current exchange rate is 3.71 shekels to the dollar. The shekel has strengthened against the dollar significantly since 2002, arousing many complaints. Yet despite the revaluation, Israel has, as mentioned above, a surplus in its current account and in net exports. The fact that the Israeli economy is succeeding in maintaining a high level of exports results in the strengthening of the shekel. Israelis sometimes want the country to have a strong economy with a weak currency, but this combination is not feasible. This type of problem – a strong shekel – is preferable to coping with the opposite problem. (The recent events in Egypt have succeeded in weakening the shekel; hopefully, Israel will not need to rely on this type of external event too much in the future.)

As for inflation, Israel is now within its inflation target. Inflation was 2.7 percent last year, slightly above the 2 percent goal. The Bank of Israel has been raising interest rates, a process begun in August 2009 when the rate

was half a percent, with rates raised seven times since then, to reach a rate of 2.25 percent. The Bank is raising rates due to the inflationary expectations of the market, which are rising while the Bank's forecasts are rising as well. The rates are raised in order to combat inflation because relatively high inflation must in all cases be prevented.

In comparison with other countries, housing prices in Israel have not risen as quickly since the beginning of the previous decade. Between 2000 and 2008, housing prices were most stable in Germany and in Israel. Since then, however, a very rapid rise in housing prices began in Israel, reaching slightly more than 40 percent. This is a worrying pace. Therefore, in order to deal with this problem, the Bank's monetary policy included raising interest rates as well as other special steps taken by the government in connection with the housing market. The Bank will continue to take all necessary steps to treat this problem, because one of the lessons from history is that financial crises often begin with bubbles in the housing market. The Bank must not let such a crisis develop.

Israel's government is conducting a very responsible fiscal policy. In 2007, the budget was more or less balanced, with a deficit of one-tenth of one percent. In 2008, the recession had already started, and the deficit reached 2 percent of the gross domestic product; after that, it rose in 2009 to 5 percent. Subsequently, it started to decrease. Israel's deficit was 3.7 percent last year, part of which stems from the efforts made by the Finance Ministry to round off the expenditures in December in order that it not decline too steeply. Without these successful efforts, the deficit would have been about 3.4 percent. In international terms, Israel compares favorably. While Australia may generally have a balanced budget, in the United States the budget deficit was over 10 percent last year and will be the same this year, as it will be in England. By comparison, Israel's situation is very good, and the Bank of Israel expects that next year the deficit will be less than 3 percent. In addition, Israel's public debt during the recession did not rise. That is, the government maintained budgetary discipline, in spite of the recession and the global crisis. Hopefully, the debt will begin to decrease again in the near future.

In another area, the importance of the discovery of gas, and perhaps oil as well, in Israeli waters is not to be underestimated; but both policymakers and the public must refrain from exaggerating its importance. To demonstrate

this, a review of numbers and estimates concerning what has been discovered: Israel is currently extracting gas from a field called Yam Tethys, or Mari-B in English, which is supplying gas – not a great deal of gas, but nevertheless it is supplying some of Israel's needs. Now work is being done in a field called Tamar, and perhaps in two to four years gas from Tamar will begin to be exported. Israel also has another field called Leviathan, which is either the largest or one of the largest natural gas fields discovered worldwide in the past ten years. There are also additional fields.

In any event, there are respectable amounts of gas found on Israeli territory. Noble Energy, the American company involved in the process, has explained that, in fact, they have knowledge of all the fields, and that they have begun with the most promising ones. If so, that means that what will be discovered in the coming years will be less impressive than what has already been found. As is well known, there was a huge and rather unpleasant dispute about the portion of the profits or of the receipts from the gas that will reach the coffers of the Israeli government. The government rightly accepted the very professional recommendations of the Sheshinski Committee that was set up to investigate the matter. These recommendations still must pass the Knesset and will reach the Finance Committee. The pressures from the entrepreneurs will continue, and it is not clear what the outcome will be. Hopefully, the Knesset too will accept the Committee's recommendations.

The revenues from the gas fields will be smaller than generally thought. For example, Yam Tethys, the smallest field, pays 700 million shekels (or $200 million) a year to the Finance Ministry. When the Tamar field, which can supply Israel's needs for 20-25 years, reaches full production in three to four years, the annual payments to the government will be between half a billion dollars and $0.7 billion. This is significant, but given that Israel's gross domestic product is more than $200 billion, $0.7 billion is not substantial. Leviathan is considered to be between 1.5-2 times the size of Tamar. Thus, in total, payments to the government from the Leviathan finds will be about $2-2.5 billion a year, or approximately 1 percent of GDP. This will represent profit for the government, which is important but does not change the government's basic fiscal situation. By comparison, the Norwegian government's receipts from Norway's gas are 15 percent of GDP, a much higher proportion than what is expected for Israel. If, as Noble Energy has indicated, oil lies underneath the gas at Leviathan, this

would be especially promising, since it is easier, logistically, to export than gas. Exporting gas requires either a pipeline, which would cost $8 billion if it were to reach Greece or Italy, or facilities for conversion of the gas to LNG, which are also expensive. In addition, the revolution in natural gas extraction that the world is now witnessing could lead to surpluses in the US and Europe. That in turn could lower prices and affect the economic prospects of Leviathan. In summary, the discovery of gas is a very important development for Israel, providing a source of gas for our own needs and some government income. Still, although this provides a nice contribution, it is not a "game changer."

A critical area affecting the economy and the burden on the budget is defense. Surveying the past half-century, before the Six Day War, defense expenditures were about 10 percent of GDP. After the Yom Kippur War, defense expenditures rose to a staggering 35 percent of GDP and continued at very high levels, at over 20 percent even until 1982 and 1983 and may have played a role in the country's financial crisis in the late 1970s and early 1980s. Since then, expenditures have decreased to a level of 7 percent of GDP today, even less than before the Six Day War. The United States has seen similar trends over the past decades, peaking in the 1950s and during the Vietnam War, before decreasing. (One reason for the rapid growth in the American economy in the 1990s was the lower burden of defense spending.) Meanwhile, government expenditures overall have fallen from 70 percent of GDP in 1980 to 42 percent today, a figure not far from the OECD average. Thus Israel has succeeded, in spite of the defense burden, in reaching more or less normal levels in relation to government expenditures: above the American average and below the average of many countries in Europe, in spite of Israel's defense costs being about 5 percent higher than the average in Europe. In terms of purchasing power, then, the defense burden has almost not risen and in real terms is in fact lower today than it was after the Yom Kippur War. The country thus has succeeded in stabilizing real expenditures and not increasing defense expenditures by a large amount, in spite of all the problems since 1975.

By comparison, European countries generally spend about 1-1.5 percent on defense, with Italy, Turkey, France, Britain, and Greece spending more but still not approaching the burden that Israel carries. The United States does spend more, but the burden on Israel is more than 7 percent when

considering defense expenditures in other areas. For example, Israel does not pay market wages to soldiers doing reserve duty and to new army recruits. Taking these expenditures into account, Israel spends about 9.5 percent of GDP on defense, which is a very high burden. In that context, Israel's sustained, healthy growth is a great success.

Many argue – including in the recent book *Start-Up Nation* – that Israel has also profited from its defense sector. This is undoubtedly true, though it is not known to what extent. Nonetheless, if defense expenditures were lower, Israel's economy would grow more quickly.

Finally, a word about the impact of recent events in the region on Israel's economy: The approach of the Bank of Israel is based on Israel's need for larger reserves of foreign currency than those of other countries, due to Israel's very complex geopolitical situation. Even given the excellent geopolitical state of affairs of the past several years, the Bank must always take into account the risk of disruption to the calm. In the context of the recent events in Egypt, markets have responded very quickly. For example, the markets revalued Israel's credit default swaps (or "CDS"), which provide insurance in the event that Israel does not meet its debt obligations. The price of this insurance, for a period of five years, rose from 1.15 percent to 1.45 percent. The markets made the assessment that Israeli risk increased (although markets have concluded that it is not only Israeli risk that has increased). The larger reserves become very important in this situation.

Even with the ongoing situation in Egypt and in Lebanon, it is important to note that Israel has a very, very strong and flexible economy, which in the past five years has succeeded in coping with numerous shocks, from Ariel Sharon's incapacitation to the Hamas victory in the elections in early 2006 to the Second Lebanon War to the instability of the governments of Israel and to the world financial crisis, from which Israel emerged strongly, especially in relation to other Western countries. Furthermore, Israel has not received special aid from anyone in order to emerge from the crisis.

Israel also has a very strong fiscal policy and a monetary policy that inspires confidence. Israel has sufficient reserves in case of need, and a strong, flexible private sector. Anyone who wants to succeed in the world economy now must transfer exports from the West to the East, and Israeli manufacturers are actively attempting to enter the Indian and Chinese markets. Data indicate that exports to East Asia are rising rapidly; they are

not large (still less than 25 percent of exports) but are rising at a rapid pace. Israel's economy will have to adjust to recent events as well as deal with the Iranian challenge that remains. Still, Israel has an economy and a policy that will enable it to cope with the challenges of the future.

The Defense Budget: Squeezed Between the Defense Concept and the National Economy

David Brodet

What are the major changes facing the defense establishment in Israel today? Israel, as a nation, economy, and defense system, is affected by both external developments and by internal economic and social issues. From the external arena, there are three primary threats with which the Israel Defense Forces must be prepared to cope. First, there is the sub-conventional threat, i.e., terrorism, as experienced in recent years. Second, there is of course the supra- or non-conventional threat, which is developing especially in Iran. Third, there is the conventional threat, which, although it has decreased, continues to exist. To a large extent, it is the combined force of these three threats together that represents a phenomenon that is relatively new from the perspective of force buildup and the IDF's doctrine of operations. At the same time, Israel has considered this phenomenon when formulating its defense budget with a multi-year view in mind. In other words, these are not dangers that emerged in one year, but have developed over time.

To the three classical dimensions of the security doctrine – warning, deterrence, and decision – has been added the defense element, and its addition results from the introduction of high-trajectory weapons, which must be considered as a very central element in the threat against the State of Israel. The high-trajectory threat is primarily aimed at the civilian population rather than at solely the military axis. Taken together, the great changes in the enemy's approach to war and the enemy's high-trajectory threat require, from the perspective of the defense establishment, proper military buildup and a proper military operations doctrine. Since the IDF does not have sufficient

resources to construct three armies, one for each of the threats, this doctrine must be versatile and provide responses to all of the threats simultaneously.

Recently, the Governor of the Bank of Israel presented a positive picture of the Israeli economy. Indeed, the economy is experiencing one of its better periods, if not its best. The macro-economic framework at least is strong from the perspective of budget management, monetary policy, the labor market, and the balance of payments. The State of Israel is, relatively speaking, in good shape at the end of 2010 and the beginning of 2011.

But the Israeli economy wants to be global, or integrated with the global economy, and possess the profile of an advanced Western economy in all respects. Here, too, there has been a recent achievement: Israel joined the OECD, one of the most impressive expressions of the fact that the economic world sees Israel as a country belonging to the economically advanced nations and is ready to accept Israel as a member in this exclusive club. This is the result of 25 years of great effort, from when the economy hit its nadir in the decade after the Yom Kippur War to the present.

As a member of the OECD, however, one must meet certain standards of the club, and there are several ways in which Israel does not. One of the main areas in which Israel stands apart is in defense expenditures. The range for OECD nations for defense is, broadly speaking, between about 1 to 4 percent, with an average of about 2 percent. Israel is exceptional in terms of defense expenditures. Today, the State of Israel is relatively in the best situation in terms of its rate of defense expenditures that it has ever been in its history. The country's defense expenditure is at approximately 7 to 8 percent, which was the case on the eve of the Six Day War. Israel's best decade in terms of defense expenditures was approximately 1957 to 1967 – between the Sinai Campaign and the Six Day War – and is now again approaching those levels. But this rate is still higher than is common among OECD members, as well as in many other Western countries. In striving to have total expenditures be within OECD norms, Israel is a little below the OECD average in terms of civilian expenditures. Indeed, some of the social issues Israel is facing stem from the imbalance between public expenditures on defense and public expenditures for civil issues.

Why not conform to the OECD rates all the way and maintain defense expenditures that run to about 1 or 2 percent? The answer is that given the threats that Israel faces, a defense budget of 2 percent will not suffice. Its

security situation will not, at least for the next few years, allow Israel to approach these OECD rates. The country also faces public, civic issues – beyond the question of the standard of living – that cannot be addressed when there is such an imbalance in public expenditures.

This tension surfaces yearly, if not daily, during budget debates. It presents a real conflict between the defense budget and the Treasury, which represents other elements. Ultimately, Israel would like to achieve a rate of defense spending that would preserve a developed economy and allow Israel to be integrated into the global economy, while also providing a standard of living and public services – education, health, welfare, and infrastructures – of an appropriate level. However, the neighborhood in which Israel lives is less than stable and imposes a certain standard of living and a certain level of defense expenditures. This very real daily tension has been resolved for the last 20 or 25 years, since the stabilization program (or even for 35 years since the Yom Kippur War), though not by cutting defense expenditures. These have not gone down in absolute terms; in fact, they have risen. However, due to growth and increase of the national product, the resulting defense expenditures ratio is lower. In other words, because the product increased, the relative defense expenditure is less. Were Israel to double its current product, for example, the defense budget would represent 3.5 or 4 percent of the product. This, of course, would be a much better outcome and would afford an opportunity to accomplish much more in the civil sphere. Doubling the product is possible, but it requires time as well as many other components. That is the tension between the needs of security and of the national economy at the fundamental level.

Over the past several years, Israel has become increasingly aware of a major threat inherent in the perspective of its enemies, i.e., in their reaching the conclusion that in direct, conventional battle they will generally not achieve very significant results. They will therefore have recourse more and more to high-trajectory weapons of increasing accuracy, including rockets and missiles of all sorts and ranges, targeted at civilians. The scenario of the next war is more barrages on Tel Aviv than on the Golan Heights, barrages on large civilian centers, and of course national strategic targets in order to paralyze the civilian population, be it the electric grid or other targets. This means that the issue of defense is no longer exclusively in the hands of the military. If the battle is against the home front, what would take priority

in defense allocations – the army or "non-military" civilian emergency systems, such as fire departments, bomb shelters, Magen David Adom, protected rooms, and gas masks? These are the dilemmas posed when facing such a decision, and these questions need to be asked today in a much more practical sense than ever before in the history of the State of Israel. This is because throughout the country's history, the civilian front was hardly ever threatened. It was not totally free from exposure to danger, but the new reality is certainly more threatening.

The fact of the matter is that the entire Zionist enterprise, from the 1920s through the establishment of the state to the present, has been a series of wars and rounds of fighting. From the historical perspective, Israel has constantly alternated between war and a respite from war. This applies to the riots in 1921 in Jaffa and in the Galilee, as well as to the wars of 1948 and onwards. What were the ramifications of this strategy, which was forced upon Israel? With every enemy attack – in its particular time and under its specific circumstances – Israel's objective was always to use the periods of calm in order to continue nation building or, to use Zionist terminology, to continue the Zionist enterprise in every period. And each war won was, in effect, meant to provide the time between one round and another to build as much as possible. All in all, a great deal was achieved. There have been many rounds, but between them, the country succeeded in building an economy, a society, and everything that exists today in the State of Israel.

The next war will be different in that the arena or the target will be the home front and the civilians, but it will still be a round of fighting. In such a struggle, every day of missiles means damage to the national product in the economic sense and the destruction of civilian property, as well as the loss of civilian lives. The damage, which can be estimated, will be greater to the economy and civilians than to the military.

The basic cause of these rounds of war is that Israel does not have the capability of achieving a strategic defeat over its enemies. That is, Israel is not the United States of America or Russia, which, on May 8, defeated the enemy, flew their flags over the Reichstag declaring, "we won; there is no more enemy." In none of the rounds since the 1920s (in actuality, the first riots attacking Jews who were part of the Zionist enterprise already took place in 1908) did Israel ever fly the flag and proclaim victory. Battles were won, but there was not strategic victory in the sense of crushing the enemy's

will or ability to fight. There were occasions of damage to the enemy's ability, but never to the enemy's will. There will be no such determination in the next war, either. At best, it will generate deterrence, giving Israel time to attend to the damages and to fortify the economy. This pattern will continue for an indeterminate amount of time. That has been, in essence, the economic-social-security structure of the State of Israel for 62 years, and for the last 100 years of Zionism, and that is what can be expected in the years to come.

Israel's objective, then, is to strike a balance between the defense ethos, maintaining a level of deterrence, and the economic ethos, maintaining the longest stretch of calm possible in which to engage in nation building and prepare for the next round of war. This was the goal of a committee appointed in November 2006, a few months after the Second Lebanon War, at the request of the Prime Minister and, it may be added, reluctantly accepted by the Defense and Finance Ministers. The Prime Minister at the time, Ehud Olmert, had his own reasons for wanting to explore new ways of constructing the defense budget. After about six months of debates, the committee of nine submitted 50 *unanimous* recommendations. These were based upon consultations with the military, which presented its needs for the next ten years in order to respond to threats as they were formulated at the time. These needs amounted to an additional NIS 100 billion over 10 years, and the task of responding to such a formidable request was left to the committee.

What this meant was that contrary to all expectations, the defense budget needed to be expanded, not cut. The challenge was doing so without harming the economy or neglecting civilian and other societal needs. In the fourth year of execution of this budget, it appears that this challenge can be met. The committee proposed two multi-year plans covering the ten-year period with an annual increase in defense expenditures of an average of 1.3 percent in real terms The basic assumption was that if the product grew by a multi-year average of at least three percent, which it has, this would be possible from the perspective of the economy. Clearly, at higher levels of growth it would be easier. In this way, the defense proportion of the national product would decrease, making Israel a fitting member of the exclusive club of the OECD. The OECD is, of course, just a symbol.

In order to allow the growth of the national product, the lion's share must go towards constructing civilian strength, in both the private sector and in public services. This is the model that is being carried out, more or less. It is possible to increase public services (for education, health, welfare, administration, and so on) by 2.6 percent. As for the components of the expenditures, it was not the committee's intention to replace the military or its system for setting priorities in force construction, but it did make two statements based on its observations: First, the usual response of the army to budget troubles is to cut back on training or R&D or both. The committee recommended minimal cuts in training and in R&D in order to minimize the negative impact upon regular training and the capacity for military technological innovation.

Second, the committee realized that a multi-year program must be tied to a multi-year budget. The IDF, between 1968 and 2008, had eight multi-year programs. What repeatedly happened throughout this 40-year period was that each one of these multi-year programs collapsed already in its second year. This occurred because the army assumed that its budget would increase each year in line with its work plan, e.g., a 5 percent increase per year. In reality, this did not happen; in some years the army's budget grew by less than 5 percent, and in other years it did not grow at all. There was no connection between the budget and the multi-year program. It is thus not surprising that it would fall apart, if not in the first year then certainly by the second. No program was able to be completed according to plan as it had been conceived by the military planners. This was not for lack of planning abilities, rather due to unrealistic operating assumptions. The committee therefore recommended a multi-year budget to correlate with a multi-year program, and this has been in effect for the period 2008-2011, with a large measure of success.

The committee made several additional recommendations to the army: First, before looking for other sources for expansion, increase efficiency. Second, the committee made specific recommendations regarding areas in which efficiency could be increased. Third, seek the professional advice of relevant institutions. The government added NIS 46 billion to the military budget for growth and demanded an increase in efficiency to the tune of NIS 30 billion over 10 years. Fortunately, an additional NIS 30 billion in military assistance was provided by the United States. The IDF thus reached

over NIS 100 billion (46 + 30 + 30) as a basis for a multi-year program. This does not preclude an additional emergency need for funds along the way, but the main basis for the military's budget is covered.

Finally, the committee added very clear regulations regarding budget management. To help mitigate the struggle between the defense and finance ministries, the committee defined the decision making process of the prime minister and his political Cabinet, as well as the position of the National Security Council as an advisory body for both the Treasury and the Defense Ministry. The initial responses to the committee's report, by the National Security Council and both the Defense and Finance Ministries, were less than enthusiastic. Today, both ministries support the report although they disagree at times on its interpretation. These are the rules of the game, and these are the quantitative arrangements that will allow the defense establishment to maintain its strength for force buildup while enabling the national economy to maintain its robustness. Without a functioning economy, the defense establishment will not be able to operate in the long term.

To conclude, the State of Israel should not increase the defense budget immediately in the wake of the events in Egypt. Although Egypt has progressed in recent years, it is still a nation whose 2010 product was lower than that of Israel's. Israel will hit a product of $220 billion, whereas Egypt will reach $217 billion. These numbers may seem close in the absolute sense, but Israel has a population of 7.6 million whereas Egypt's is more than 80 million. One cannot know the nature of the coming Egyptian regime, but it seems unlikely that its first step will be to increase its defense budget and declare war on Israel. This regime will require legitimacy, and legitimacy will be established in the socioeconomic realm, not in the military realm. Israel does not need to create the impression of an immediate and gratuitous threat or an arms race on its southern front. There will be plenty of time to observe the processes and to provide the necessary answers, including military ones.

The Juridical and Legal Aspects of National Security Policy

Avihai Mandelblit

The field of international law, and the laws of war in particular, is in the midst of a process of change and transition that has had a significant impact on Israel. In recent years, Israel has found itself at the center of a very sophisticated global legal campaign, influenced by actors with various motives, to manipulate Israel's security situation and perhaps affect Israel's very existence.

These developments present a new and significant front that is part of a broader campaign to delegitimize Israel. The implications of this are not limited to military and political aspects – legal repercussions, though increasing, have always been taken into account in the midst of military action – but they also impact on economic and other spheres. And yet while Israel cannot ignore the rest of the world and exist only unto itself, it remains true that the IDF acts on the basis of what it deems necessary for Israel, that is, it acts for its own interests.

In this legal battle on the international front, the heart of the tension is between what is defined as the law of armed conflict and human rights law. These are not the same bodies of law; at certain times they are in conflict while at other times they overlap. The Gaza operation (December 27, 2008-January 18, 2009) is one prominent example where these areas converge and conflict, as are the events of the flotilla incident (May 31, 2010).

It is accepted wisdom that the purpose of the military front is to serve political goals. In recent years, however, two additional fronts have developed, and those who ignore these will suffer defeat. This is not to deny

the importance of victory on the military front, but those who disregard the public opinion/media front and the legal front will lose the battle and fail to achieve the desired results. In this regard, the legal front is part of a broader legitimacy front, which incorporates the military but mainly the political, media, and legal spheres, and is especially prominent after the fighting ends.

Once the fighting ended in Operation Cast Lead, the battle was over, but the war on the legal front was just beginning and quickly became more difficult than had been imagined. In recent years, there have been cases where the justification for the operation was clear to all at the outset, but shortly afterwards ensued condemnations of the means and methods of warfare, such as the use of munitions containing white phosphorus in Cast Lead and cluster bombs during the Second Lebanon War. The criticism of a particular means of warfare soon led to discussion of the justification of the operation itself and a questioning of what prompted Israel to open an attack. Critics did not cite the eight years of rocket attacks on Israel and the policy of containment that Israel had employed and all its efforts to avoid being drawn into battle. The focus on the specific means of warfare, used very cunningly, sent a message to the world that undermined the legitimacy of the use of *any* force. From this question, it is possible to reach an inner and more dangerous circle, denying the legitimacy of the very existence of the state. This works to portray Israel as a rogue state, an outcast state of war criminals, and casts doubts upon the legitimacy of Israel's existence, as was the case with Serbia, South Africa, and so forth.

This dynamic does not end with Israel but, rather, spans the globe. Not only the West but Russia, too, is encountering similar problems. Russia is repeatedly dragged into the European Court of Human Rights in Strasbourg. Serious reports have been produced on Russian fighting in the Caucasus. Western nations have had similar experiences, in particular through what Israelis call "lawfare." These dynamics are linked to the change in the nature of conflict. Recent wars are not like the conflicts of the post-World War II era, nor even like those of 20-30 years ago. These represent a different type of conflict, presenting a difficult challenge that has grown more acute.

These new conflicts are known as asymmetrical confrontations. Many have the mistaken understanding that an asymmetrical confrontation features one side that is supposedly stronger than the other, that one side has more weapons than the other. This is not the correct use of the term.

"Asymmetrical," in the sense that Israel uses the term, means that one side is committed to the laws of warfare (i.e., distinguishing between civilians and combatants, maintaining proportionality, attempting to use precision weapons and to warn civilians in order to prevent harming them, etc.) and all the accepted norms. The other side, in contrast, ignores these laws and cynically exploits them for its own benefit. This translates into intentional attacks upon the other side's civilians and deliberate attacks from densely populated areas, hoping for a win-win situation: if the other party avoids counterattacking, the side ignoring the laws has won. If, on the other hand, the side honoring the laws attacks and harms civilians, then the events become very problematic and are likely to generate criticism at the international level. Thus, there are forces pulling in all directions in applying the laws of war.

On the tactical level, terrorist organizations take advantage of Israel's commitment to international law in order to exploit Israel's actions for public relations gains. On the political level, there is an intense battle of delegitimization within the three circles of censure mentioned earlier: of specific means of warfare, of the reasons for embarking on a military operation, and of Israel's very legitimacy. Ultimately, this is a worldwide battle revolving around the interpretation and development of international law in general and of the laws of war in particular.

In recent years, legal bodies have gained strength. Political bodies have long been a challenge for Israel. The General Assembly, for example, is not an institution favorable to the state. Still, generally speaking, the situation was more or less contained. Recently, however, there has been an alliance between Islamic organizations and human rights organizations that advocate for those living in war zones. Even the moderate Arab states, the Arab League, and the Palestinian Authority are trying to exert pressure using the same political and legal tools in order to achieve political gains and tie Israel's hands in its conduct of war. Serious human rights organizations generate reams of reports. In the past, these reports were just written words, and their effect was limited to the public relations sphere. Today, their effect is very significant. They are relevant and have become a convenient tool for international political bodies, which in turn try to steer the issues toward legal bodies.

The most prominent body that has gained momentum in recent years is the Human Rights Council. The Council has 47 members, including notorious

human rights abusers. Most of the Council's resolutions are against Israel. Whereas in the past the Council was less important, today it is becoming a significant body, trying to reach, operationally, the world at large and attain results that will in effect tie Israel's hands as it tries to fight. The examples are prominent. The most prominent ones are, of course, the Goldstone Report on the Gaza operation and the Hudson-Phillips Report on the flotilla. A report was issued after the Second Lebanon War as well, which also accused Israel of war crimes, though it gathered somewhat less momentum. Through these reports, there is also an attempt to invoke what is called universal jurisdiction. In other words, a statesman or IDF officer visiting a particular country may be exposed to legal action.

Other central institutions include the International Criminal Court (ICC) that prosecutes and tries war crimes and the International Court of Justice (ICJ) that, among its various functions, issues advisory opinions. The most famous advisory opinion related to Israel was the one on what Israel calls the security fence but which the court called "the wall." The court's determination that Israel broke international law might have far-reaching ramifications.

The legal tools have in effect become central in the delegitimization effort in all three of the relevant circles (means of warfare, justifiability of war, and legitimacy of Israel). This has emerged as one method for creating deterrence, in an attempt to limit cooperation with Israel and create a situation in which Israel is declared a pariah state.

States that engage in warfare have an interest in complying with the laws of war. On the other hand, the law narrows the field of maneuvering for states, especially but not only Israel, that fight terrorist organizations. These states have shown some reluctance to submit to the jurisdiction of the ICC. To date, the ICC has only prosecuted crimes committed in Africa. Some claim that the time has come to balance that trend by bringing war crimes charges against Israelis.

Some have argued that in order to advance new interpretations of international law, states should create new Geneva Conventions that will generate new rules to provide better tools for fighting terrorism. Unfortunately, precisely the opposite is liable to happen – and has already happened, with the drafting of the First and Second Additional Protocols to the Geneva Convention. Therefore, rather than changing the conventions themselves,

it is necessary to promote interpretations that provide tools with which to win the war through military means. For example, the United Nations has taken the position that UN installations have absolute immunity, even if used as a base for shooting. This interpretation totally disregards the question of proportionality, the usual rule for making such a determination, and is so clearly objectionable that it is not accepted by any serious jurist. Still, the UN has put it forward, demonstrating that even these types of interpretations can gain currency.

The laws of war are now caught in a difficult struggle between two central paradigms. One is the classical laws of war, what is called law of armed conflict or international humanitarian law. The other is human rights law. International humanitarian law has four main principles, two of which are the principles of distinction and proportionality. The most basic principle is that of distinction between civilians and combatants. This distinction can sometimes be complicated by the presence of dual-use targets, such as a bridge over the Litani River that during a war might also become a military target or when civilian objectives are used for military purposes, such as a mosque that serves as a storage site for rockets, thus rendering it a military target.

In the final analysis, the most complicated and important rule is that of proportionality, which in effect stipulates that the expected incidental loss of civilian life, injury to civilians, or damage to civilian objects caused by an attack must not be excessive in relation to the military advantage anticipated. For example, in order to neutralize two or three Kalachnikovs stored inside a mosque, the army cannot approve the bombing of a mosque, and certainly cannot harm civilians. On the other hand, if the mosque contains hundreds of rockets, Qassams and Grads, the conclusion would likely be different. For example, in the beginning of the Second Lebanon War, the air force bombed the Fajr rockets and was faced with questions of proportionality.

Alongside these principles, as a separate framework, is human rights law. Human rights law is very important, as it grants a set of human rights to all human beings. Israel, as a signatory to the Universal Declaration of Human Rights and most of the human rights treaties, supports the notion of human rights.

The classic approach is that, in the case of war, it is not relevant to apply this body of human rights law. In a civil setting, if someone is stabbed

and killed in the street, clearly it is necessary to conduct an investigation in order to determine what happened. In war, unfortunately, civilians are killed, and all the more so in wars against terrorist organizations that feature asymmetrical fighting, when the adversary intentionally drags Israel into urban areas with civilians mixed in with the terrorists, who use the civilians as human shields and shoot their weapons at Israeli forces from behind them. The fact that civilians are harmed does not mean that there was a violation of the laws of warfare. The fact that someone was harmed does not mean there is automatically a need to conduct an investigation. In principle, human rights law, for many reasons, is not applicable in a situation of armed conflict. This explanation was accepted for many years.

However, in recent years, there has been a move towards applying human rights law even in situations of armed conflict. This has brought human rights-oriented institutions into the field of international humanitarian law. The European Court of Human Rights handles cases involving armed conflict. The UN Human Rights Council, as shown by the Goldstone Report, is also involved. The people conducting these inquiries have expertise in the area of human rights law. They introduce principles and paradigms from the world of human rights law into the world of the law of armed conflict. The problem with this trend is in the nature of what is being investigated and how these investigations are carried out.

The issue of the nature of the investigation is very important and, in fact, is to be discussed in the second (as yet unpublished) part of the Turkel Report. Two critical parameters are independence and impartiality. Western states and Western militaries accept the notion that the military prosecutor is independent. In Israel, for example, the military advocate general is not subordinate to the IDF chief of staff professionally. His decisions are totally independent, subject only to the principle of the rule of law. Although he wears the uniform, that independence is accepted, as it is in all Western nations.

Under the law of armed conflict, an independent military investigation is the accepted norm, but it is argued that human rights law demands that only an external investigations committee has investigative authority. In situations of suspected human rights violations, this principle is sensible. If, for example, a regime is alleged to be responsible for the disappearance of civilians, it might well not be appropriate for the police, alleged to have

carried out the disappearance and obviously tied to the regime, to conduct the investigation. Also, under human rights law, an investigative body must include representation of the victims, and the investigation must be conducted much more speedily than in cases of violations of laws of armed conflict. However, in armed conflict this is often impractical, as shown in the Gaza operation, where the evidence of alleged violations is in Gaza, which is not easily accessible. Finally, human rights law requires a level of transparency that is often difficult to achieve in investigations of incidents during an armed conflict, because such incidents often involve intelligence sources. Despite all of these problems, reports such as the Goldstone Report issue their demands relying on the world of human rights law. This is a concern for many states, but Israel is on the front line. Others are waiting in the shadows and have no interest in stepping forward, as Israel has been forced to do.

As for the Goldstone Report, its innovation lies in its allegation that the campaign was directed by a policy set at the highest levels of government to punish, humiliate, and terrorize the civilian population of the Gaza Strip and to destroy its economic viability. In turn, this policy would, by the Goldstone Report's reckoning, create deterrence in the Judea and Samaria region, which Israel, again according to Goldstone, intends to continue to occupy and control, such that the Palestinians residing in the Judea and Samaria region would be discouraged from voting for Hamas. To reach this conclusion, the Goldstone Commission drew on a number of admittedly irresponsible statements made by Israeli policymakers and politicians concerning the objectives of particular military actions.

The Goldstone Commission also questioned the integrity of the Supreme Court by calling it potentially unfit to conduct an independent adjudication and too willing to grant immunity to policymakers. Because the thinking is that no Israeli institution is capable of carrying out an independent investigation or adjudication, international institutions must be involved. Beyond the insulting nature of this claim, it is also very dangerous. It is similar to accusations made against Serbia, and it destroys the legitimacy of the State of Israel. In order to fight for legitimacy, the state could appoint a commission of inquiry. This, though, simply plays into the hands of the human rights organizations, and Israel also hurts its allies when it considers

applying human rights law. Rather, Israel should, in most cases, insist on adhering to the laws of war.

In sum, it is important to understand that the legal fight in which Israel finds itself is for all intents and purposes a war, and is a complex one. This author believes that Israel's situation is better than it was a year and a half ago. Friends in the world have come to Israel's assistance. Israel has conducted mission-to-mission diplomacy at the UN and has made significant progress in convincing countries of the credibility and rightness of Israel's actions and its compliance with international law. However, despite Israel's improved situation, it remains necessary to raise awareness concerning this war and invest effort in the presentation of information, especially in the form of legal explanations. This is a complex field, which has to be understood. It is necessary to emphasize that Israel is in the same boat as its allies, who have similar concerns. It is necessary to reveal the motivations behind the reports, because many are dishonest.

Internally, Israel has significantly increased the training of commanders in its School of Military Law. There is today a greater understanding in the army of the importance of international law. The army's operational planning unit considers appropriate legal aspects in order to comply with the rules of international law, with operational consulting up to the division level. The army is also examining claims and reviewing hundreds of events that occurred in the Gaza operation. Events are examined on the basis of the laws of war, not human rights law. Based on applicable rules under the law of armed conflict, not every incident needs to be investigated as a criminal investigation; room should be made for the chain of command channel and operational debriefing. If these identify irregularities, results are transferred to the investigating military police.

It is important for Israel to emphasize to its allies the challenges they share and the appropriateness of Israel's actions. Israel might not be able to satisfy hostile states, but it must try to convince its allies and Western countries. It is important for us to examine ourselves, to make sure our camp is clean. In the end, this is the most important principle of all: that we are true to our own standards.

Contributors

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John Deutch is currently an Institute Professor at the Massachusetts Institute of Technology. Previously, he served as US Deputy Secretary of Defense from 1994 to 1995 and the Director of Central Intelligence from May 1995 to December 1996. He also currently serves on the boards of directors of Citigroup, Cummins, Raytheon, and Schlumberger Ltd., and is a member of the Trilateral Commission.

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Stanley Fischer has been Governor of the Bank of Israel since May 2005 and is now serving in his second term in the post. Prior to joining the Bank of Israel, Prof. Fischer was Vice Chairman of Citigroup from February 2002 through April 2005, where he was also head of the Public Sector Group from February 2004 to April 2005, Chairman of the Country Risk Committee, and President of Citigroup International. Prof. Fischer was the First Deputy Managing Director of the International Monetary Fund, from September 1994 until the end of August 2001. Before he joined the IMF, Prof. Fischer was the Killian Professor and head of the Department of Economics at the Massachusetts Institute of Technology. From January 1988 to August 1990 he was Vice President, Development Economics and Chief Economist at the World Bank. He has authored and edited numerous books and other publications.

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David Ivry has been President of Boeing Israel since September 2003. Before joining Boeing, Maj. Gen. (ret.) served in numerous roles in public office, including as Israel's ambassador to the United States, head of the National Security Council, Director-General of the Ministry of Defense, Chairman of Israel Aircraft Industries, Israel Defense Forces Deputy Chief of Staff, and commander of the Israel Air Force.

Tzipi Livni has served as head of the opposition in Israel since the establishment of the Netanyahu government in March 2009. In May 2006, she was appointed Vice Prime Minister and Minister of Foreign Affairs, positions she held until March 2009. Livni was a member of the Likud Party until 2005, when she and other prominent political figures formed the Kadima Party. She was elected chairman of Kadima in 2008. She previously served as Minister of Justice from November 2006 to February 2007. Livni received her law degree from Bar-Ilan University and practiced law in a private firm for ten years before entering civil service.

Avihai Mandelblit served as Military Advocate General from 2004 to 2011 and served in that position at the time of the conference proceedings. Maj. Gen. Mandelblit has served in a number of positions during his 26-year career in the Israel Defense Forces, including in the military prosecution, military defense, the military courts, and as Deputy Military Advocate General.

Dan Meridor serves as Israel's Deputy Prime Minister and Minister of Intelligence and Atomic Energy. He served in the Knesset from 1984 to 2003 and from 2009 to the present. In addition, Mr. Meridor served as Cabinet Secretary under Prime Ministers Menachem Begin and Yitzhak Shamir and as Minister of Justice, Minister of Finance, and Minister without Portfolio (with responsibility for national defense and diplomatic strategy in the Prime Minister's Office). Mr. Meridor is a lawyer by profession and practiced law in Jerusalem from 1973 to 1982.

Angela Merkel has served as the Chancellor of Germany since 2005. She is the first former citizen of the German Democratic Republic to lead the reunited Germany, as well as the first female head of Germany since it became a modern nation-state in 1871. She joined the Christian Democratic Union political party in 1990, was named Secretary-General of the party in 1998, and was chosen as party leader in 2000. Chancellor Merkel studied physics at the University of Leipzig, earned a doctorate in 1978, and worked from 1978 to 1990 as a chemist at the Central Institute for Physical Chemistry, Academy of Sciences.