Introduction

The end of the Cold War ushered in a new period in Israeli foreign policy, situating it in an unprecedentedly strong strategic position. The collapse of the Soviet Union, which had supported Israel's Arab foes, ended the bipolar world order and established the United States, Israel's closest ally, as the world's sole superpower. Shortly, thereafter, in the 1990–1 Gulf War, a US-led coalition expelled Iraqi forces from Kuwait, exposed deep divisions within the Arab world and weakened the Palestinian Liberation Organization (PLO), which supported Iraqi president Saddam Hussein during the conflict. These dramatic international shifts were coupled with changes within Israel. The successful restructuring of the Israeli economy via the 1985 Economic Emergency Stability Plan (EESP) and arrival of close to a million immigrants from the former USSR greatly increased Israel's state capacity to seize the opportunities and tackle the challenges generated by the end of the Cold War.

This book accounts for Israeli foreign policy since the end of the Cold War by proposing a new argument, namely, that it revolved around three foreign policy stances: entrenchment, engagement and unilateralism. As the Cold War drew to a close, Israeli foreign policymakers were deeply divided about which of these foreign policies to pursue. Prime Ministers Binyamin Netanyahu and Yitzhak Shamir, leaders of Likud, Israel's largest centre-right party, opted for retaining what I describe as Israel's foreign policy of entrenchment. This foreign policy position hinged on basing Israel's regional foreign policy on its iron wall of military might rather than on diplomacy and making peace with the Arab world in exchange for peace not territory. The Palestinians residing in the West Bank and Gaza Strip, which Israel had captured during the 1967 Arab-Israeli war, would be granted limited autonomy, but remain under Israeli military occupation.

Prime Ministers Yitzhak Rabin and Shimon Peres, the leaders of the Labour party, Israel's largest centre-left party at the time, favoured a different foreign policy stance. Both were more optimistic than Shamir about the opportunities presented by the end of the Cold War,

but were more pessimistic about the prospects of prolonged occupation of the West Bank and the Gaza Strip. Rabin and Peres pursued what I term Israel's foreign policy of engagement. This involved making peace with the Arab world in exchange for returning territories that Israel had occupied in the 1967 Arab-Israeli war, putting a premium on diplomacy rather than on military force when engaging with the Middle East and downscaling the Israeli occupation.

The limits to entrenchment and engagement became clear within the decade after the end of the Cold War, giving rise to what I call Israel's foreign policy of unilateralism. It will be seen that unilateralism was associated mostly with prime Ministers Ehud Barak, Ariel Sharon and, to a lesser extent, Ehud Olmert. It was based on the recognition that downscaling the occupation was in Israel's national interest, but not via an agreement with an Arab counterpart, once Israeli foreign policymakers deemed it unachievable. Instead, Israel would negotiate its unilateral territorial withdrawal to recognized borders with the international community. Since the withdrawals were carried out without mutually binding agreements, Israel would manage the consequences of unilateralism by deploying military, diplomatic and economic foreign policy tools.

Thus, unilateralism, like engagement, embodied an understanding that was shared by five of the seven Israeli prime ministers since the end of the Cold War. Although Yitzhak Rabin, Shimon Peres, Ehud Barak, Ariel Sharon and Ehud Olmert were of different political persuasions, they all concluded that occupation of the Gaza Strip and the whole of the West Bank was not in Israel's interest. During their periods of office, to lesser or greater degrees, all sought to change the territorial status quo that had emerged following the 1967 Arab-Israeli war and Israel's 1982 invasion of Lebanon. In contrast, Yitzhak Shamir and Binyamin Netanyahu, during their premierships, opposed engagement, citing ideological and security reasons and had no faith in unilateral foreign policy moves. Why did Israel's prime ministers choose to pursue these particular foreign policy stances? What explained their respective foreign policy records? These vital questions are explored by this book.

Israel's foreign policy towards its most immediate and acute foreign policy arena, the Middle East, was linked inextricably to its wider foreign policy. The end of the Cold War presented Israel with some fundamental questions concerning its relations with the USA. The strategic alliance between the two states was forged during the Cold War as the USA identified Israel as a bulwark against Communism. Could the alliance survive the collapse of the USSR? Israel also faced serious dilemmas over its relations with the European Economic Community (EEC), harbinger of the European Union (EU), which, towards the end of the Cold War,

backed the Palestinian struggle for an independent state more vocally and explicitly than in the past. Could Israel's ties with the EEC, its largest trading partner, endure amid the deepening rift?

Shifting the spotlight to the east, Israeli foreign policymakers had other matters to consider. Russia, which emerged as a weak state following the collapse of the USSR, was constrained in its ability to exert influence externally; it took the best part of ten years for it to rebuild itself amid US international domination. Meanwhile, China and India became rising powers. These countries, which are the world's most populous, have space programmes and nuclear weapons and rapidly developing economies, had refused to normalize relations with Israel during the Cold War. In fact, China and India were strongly supportive of the Arab states and especially the Palestinians. China was the first non-Arab country to recognize the PLO in 1965, while India likened the Palestinian struggle against Israel to its own anti-colonial path to independence from Britain. Did the end of the Cold War create an opportunity for Israel to normalize relations with these erstwhile hostile states? These intriguing questions are explored in Chapters 6 and 17, which draw links between Israel's foreign policy towards the Middle East, established powers, such as the EU and the USA, and rising powers, namely, China and India. These chapters are designed to place Israel's policy in the Middle East in a global context rather than to provide a comprehensive account of Israel's relations with these established and emerging powers.

Israeli foreign policy since the end of the Cold War is hardly a neglected topic. As the Cold War drew to a close a group called the Israeli revisionist, or 'new' historians, Avi Shlaim, Benny Morris, Ilan Pappe and Simha Flapan, closely scrutinized the standard Zionist version of the Arab-Israeli conflict. Avi Shlaim's monumental study, *The Iron Wall: Israel and the Arab World* and Benny Morris's own history of the conflict from 1881 to 2001, entitled *Righteous Victims*, remain the most enduring contributions of the new historians.[1] These ground-breaking studies challenged the claim that the fundamental cause of the Arab-Israeli conflict since 1948, including during the post-Cold War period, was the Arabs' rejection of Israel's legitimacy to exist and Arab diplomatic intransigence. Although Benny Morris changed his political views in the wake of the Palestinian al-Aqsa intifada, laying the blame at the door of the Palestinians, the impact of the new historians is irreversible. The Zionist and pro-Zionist historiography's portrayal of Israel as a country

[1] Avi Shlaim, *The Iron Wall: Israel and the Arab World* (London: Penguin, 2000); Avi Shlaim, *The Iron Wall: Israel and the Arab World* (London: Penguin, 2014, 2nd ed.); Benny Morris, *Righteous Victims: A History of the Zionist-Arab Conflict 1881–2001* (New York: Vintage Books, 2001).

that goes to war only when there is no other choice has been shattered beyond repair.

In addition to the literature generated by Israeli foreign policy towards the Arab world, students have benefitted from excellent studies on Israel's bilateral relations with, inter alia, Iran, the USA, the EU, India and China, in addition to the several excellent scholarly accounts of particular episodes in Israeli foreign policy.[2] However, the extremely rich studies of Israeli foreign policy towards various arenas – the Middle East, the EU, the USA and Asia – are usually kept in separate compartments.

I have tried in this book to provide a more integrated narrative by placing Israel's foreign policy towards the Middle East in the context of its relations with the EU, USA, China and India. The structure of the book reflects the relative weight of each foreign policy arena. For example, US-Israeli relations attract more attention because they are more significant to Israeli foreign policy than any of the other bilateral relations. Similarly, Israel's most fateful foreign policy decisions – concerning war and peace – are taken in relation not to the EU, China or India, but to the Middle East, which dominates this book. However, in a departure from current debate, I place Israel's Middle Eastern foreign policy within the wider context of its relations beyond the region. The story I present examines how, when and why Israel's distinct approaches – entrenchment engagement, and unilateralism – to the Middle East, intersect with its foreign policy further afield, but also how each foreign policy trajectory evolved separately.

The Domestic Sources of Israeli Foreign Policy

The story of Israeli foreign policy since the end of the Cold War is told here from the perspective of how domestic factors shape foreign policy.[3] The emphasis on the domestic arena does not imply that the external environment is less important – Israel's regional environment is compelling and its ties with external powers, above all the USA, are crucial. Rather, the focus on the internal environment is informed by the assumption that the effects produced by the regional and broader international external environments depend on how they are filtered, understood and interpreted by the domestic actors, which then shaped Israeli foreign policy towards a range of issues, in significant ways. However, my

[2] The literature on these bilateral relations is reviewed extensively throughout the book.
[3] Explaining foreign policy in terms of its domestic sources is a well-established approach in foreign policy analysis, which I and others have developed elsewhere. See Chris Alden and Amnon Aran, *Foreign Policy Analysis: New Approaches* (London: Routledge, 2016); Christopher Hill, *Foreign Policy in the 21st Century* (London: Palgrave, 2016).

approach does not follow Henry Kissinger's dictum that Israel has no foreign policy, only domestic politics. Instead, the book is based on a novel analytical framework that locates the domestic sources of Israeli foreign policy within three concentric circles, each of which represents the proximity of certain factors to, and their influence on, Israeli foreign policy.

The Decision-Makers

The decision-makers, above all the prime minister, comprise the most inner and influential circle. They operate in a particular decision-making structure, which is conditioned strongly by Israel's proportional representation electoral system. Parties need to pass an electoral threshold defined by the minimum number of votes needed to win a seat in the Knesset, Israel's parliament, which comprises 120 members. This electoral threshold of 3.25 per cent of the votes is low and has resulted in Israeli governments consisting of coalitions of several parties that govern according to a coalition-cabinet system.[4]

Political scientist, Charles Freilich, has observed that Israeli prime ministers have no institutionalized or formal sources of control over their ministers – especially those from rival parties. This severely constrains the prime minister's political authority over his cabinet members, who are political figures in their own right, with their own political agendas. Consequently, the task of maintaining the coalition becomes all-consuming and affects the decision-making process; even the most junior coalition partners can topple the government based on a narrow parliamentary majority. As a result, Israeli cabinets are prone to leaks and political discord.[5]

Nevertheless, and in contrast to the conventional wisdom in relation to studies of Israeli foreign policy decision-making, Israeli prime ministers tend not to be buffeted by the political forces of the government.[6] They rely on a small, private and loyal circle of trust rather than using their cabinets and the government to formulate and deliberate on sensitive foreign policy matters. It is within the narrow confines of this intimate circle of individually appointed confidants that, often fateful

[4] 'Elections for the Knesset, *Knesset Official Website*, https://main.knesset.gov.il/en/mk/pages/elections.aspx, accessed 15 February 2019.
[5] Charles D. Freileich, 'National Security Decision Making in Israel', *Middle East Journal*, 60, 4, 2006: 645, 649.
[6] Studies following this conventional wisdom include Yehuda Ben Meir, *Civil-Military Relations in Israel* (New York: Columbia University Press, 1995); Yehezkel Dror, *Israeli Statecraft* (London: Routledge, 2011); Charles D. Freileich, *Zion's Dilemmas: How Israel Makes National Security Policy* (Cornell: Cornell University Press, 2013).

decisions are deliberated and agreed. This represents the relative autonomy of the prime minister to set the direction of Israeli foreign policy, an autonomy that is enhanced by the political, symbolic and institutional resources accompanying the office. The chapters in this book trace how Israeli prime ministers bypassed and marginalized formal state institutions, especially the Ministry of Foreign Affairs (MFA), which often is led by a political rival of the prime minister. We will see how prime ministers sidestepped the MFA by deploying personal envoys, Mossad and General Security Services (GSS) personnel reporting directly to the prime minister, and even family members. Some have also assumed the position of defence minister alongside their position as prime minister, marginalizing the MFA still further. Since the government enjoys an almost automatic parliamentary majority, the Knesset cannot exercise significant oversight over the course of Israeli foreign policy once it has been established. Moreover, the Foreign Affairs and Defence Committee, responsible mainly for statutory oversight to manage government foreign policy, has historically been under-resourced and, thus, weak.

However, it would be a mistake to assume that Israeli prime ministers enjoy complete independence in decision-making, which is why I prefer the term 'relative autonomy' to describe their ability to shape Israel's foreign policy. The government, cabinet and parliament can – and often do – resist the prime minister's chosen foreign policy course. Yet this is far from a straightforward political task. To begin with, the prime minister has the prerogative to decide the agenda of government meetings. More significantly, however, confronting the prime minister over his chosen foreign policy path often involves also challenging the US president. Every one of Israel's prime ministers has sought to secure their most fateful foreign policy decisions by obtaining US backing before the issue was presented to the Israeli government. This direct and exclusive access to the US administration constitutes one of the most significant sources of the relative autonomy of Israeli prime ministers. Any attempt to oppose the prime minister's chosen foreign policy path, once it received US blessing, could be construed as opposing the US president. The political costs of such a confrontation, in terms of political standing within the Israeli public, would be significant, which has helped to suppress cabinet revolts.

The Security Network and its Limits

If the prime minister and the decision-makers comprise the inner circle of Israeli foreign policymaking, then the second concentric circle is

constituted by the 'security network'.[7] Israel's highly informal, but very potent security network includes serving and retired Israeli Defence Force (IDF) generals, members of Israel's broader defence establishment, politicians, bureaucrats and private entrepreneurs. Their tight-knit structure around the defence establishment socializes them and instils shared values, perceptions and material interests, pursued via their influential civil roles, to determine key foreign policy issues.

The influence of the security network on Israeli foreign policy is compounded by institutionalized and formalized inroads into foreign policy-making made by the IDF over time. Of crucial importance is the Military Intelligence Directorate – Israel's main military intelligence-collecting agency and analyst of regional and international strategic developments. It produces the annual National Intelligence Estimate, which is the main strategic assessment made available to Israeli foreign policymakers on issues such as war and peace and regional and global processes. The IDF's Planning and Policy Directorate, which, since the early 1970s, has been the main unit in the military providing strategic and political assessments, represents the military's second institutional inroad into foreign policymaking.[8]

At the same time, the IDF's influence is tempered by a number of factors. The legal framework, in the form of the Military Basic Law (enacted in 1976) and later amendments to it, defines the relationship between the military and the government. The influence of the defence establishment is tempered also by its reliance, for its daily functioning, on resources generated by the civil sphere. For instance, the IDF is dependent on a constant civilian presence in its large reserve core, which, for many years, epitomized the notion of the IDF as a 'people's army'. Thus, the IDF is not a closed corporate entity insulated, as professional militaries are, from the civil sphere.[9] Consequently, extra-parliamentary movements and the media have developed mechanisms for calling the IDF to account.[10] On balance, therefore, the security network is significant in shaping foreign policy, although not outright determining it.

[7] Gabriel Sheffer and Oren Barak, *Israel's Security Networks* (Cambridge: Cambridge University Press, 2013).
[8] Yoram Peri, *Generals in the Cabinet Room: How the Israeli Military Shapes Israeli Policy* (Washington: United State Institute for Peace, 2006), pp. 50–76.
[9] Dan Horwitz, 'The Israeli Defense Forces' in Roman Kolowicz and Andrzej Korbonski (eds.), *Soldiers, Peasants and Bureaucrats* (London: George Allen & Unwin, 1982), pp. 77–106; Peri, *Generals in the Cabinet Room*, pp. 19, 23; Sheffer and Barak, *Israel's Security Network*, p. 2.
[10] Ben Meir, *Civil-Military Relations in Israel*, pp. 43–50; Stuart Cohen, 'Changing Civil-Military Relations in Israel', *Israel Affairs*, 12, 4, 2006: 775; Yagil Levy, *Israel's Materialist Militarism* (Lanham: Lexington Books, 2007), p. 52.

Beyond Decision-Makers and the Security Network

A third concentric circle that shapes Israeli foreign policy is comprised of national narratives, which constitute Israeli identity. In thinking about the link between national narratives and foreign policy, five national discourses stand out. The first is Israel as a Jewish state. Although the specific meanings and practices of what being a Jewish state entails are disputed, there is a virtual consensus among the Jewish majority in Israel that religion must play some part in defining the state and everyday life.[11] The second is Israel as a Zionist state, which has different expressions. However, all strands of Zionism converge around the core idea that rather than being only a religious community the Jews are a nation, with the right to self-determination in the Land of Israel or parts of it. This view of Zionism is adopted by the majority of Israelis (bar some ultra-orthodox Jews and Palestinian citizens of Israel) as an integral part of their national identity.[12]

A third aspect of Israel's national narratives is the notion of Israel as a 'start-up nation', which developed since the mid-1980s in tandem with the advances of the Israeli economy, technological pioneering and innovation. The restructuring of the economy by the aforementioned EESP created access, for the first time in Israel's history, to capital that was not allocated by the government. This fundamental shift enabled the rise of an Israeli business community, which forged ties with global elites, global institutions and private sectors abroad. This vibrant, assertive, and independent-of-government, globally oriented business community, plays a pivotal role in shaping Israel's economic and diplomatic ties beyond the Middle East.[13]

The fourth national discourse concerns the Holocaust, which is deeply embedded in Israeli identity via a national Commemoration Day, legislation and museums, such as Yad Vashem. It emerges strongly in moments of crisis and conflict and has led political leaders to brand Israel's foes – from the PLO to Iran – as Nazi incarnations, amplifying the already high perception of Israeli foreign policymakers of the threats under which they operate.[14] The Holocaust is a long and threatening shadow that looms large over Israel and its foreign policy.

[11] See the excellent survey of the state of religion in Israel by Guy Ben Porat, *Between State and Synagogue* (Cambridge: Cambridge University Press, 2013).
[12] Shlomo Avineri, *The Making of Modern Zionism* (London: Basic Books, 1983); Gershon Shafir and Yoav Peled, *Being Israeli: The Dynamics of Multiple Citizenship* (Cambridge: Cambridge University Press, 2002).
[13] See Gershon Shafir and Yoav Peled, *The New Israel* (Boulder: Westview Press, 2000); Dan Senor and Saul Singer, *Start Up Nation: The Story of Israel's Economic Miracle* (New York: Twelve, 2011).
[14] Idit Zertal, *Israel's Holocaust and the Politics of Nationhood* (Cambridge: Cambridge University Press, 2011).

The fifth narrative is Israel as a democracy – within its 1967 borders it has a free press, free and fair elections, a competitive party system, universal suffrage and respect for freedom of speech. However, Israeli democracy has been seriously impaired by the prolonged and deepening occupation of the Gaza Strip (until 2005) and the West Bank where Palestinians are not granted Israeli citizenship, cannot vote for the Israeli Parliament and are subject to severe limitations on their personal movement and their movement of goods.[15]

These national narratives impose certain contours that determine what is possible and impossible and legitimate and illegitimate in the context of Israeli foreign policy. Israeli foreign policymakers use these categories to justify and legitimize certain foreign policy positions and to suppress others. Political parties – by dint of their central role in mobilizing group action, defining policy options and articulating alternative future paths – also play a critical role in shaping the contours of Israel's foreign policy. As the end of the Cold War approached, two political parties, Labour and Likud, dominated the Israeli domestic political landscape. The narrative supported by Likud was based on the saga of unceasing persecution of the Jews, the redemption and protection provided by Jewish military power and the right to settle the whole of Israel and the occupied territories. The Labour party was less clear on these issues. It articulated a narrative of Israel as sustainable without the territories, which offers a more hopeful appraisal of progress and peaceful coexistence.[16]

The debate over foreign policy issues between the two parties was part of a broader conflict over defining the domestic contours of Israeli foreign policy. The Jewish Settler Movement, the most powerful grassroots movement to have been established in Israel, supported Likud and its narrative. Its ideo-theology, which hinged on the idea that the people of Israel and the Land of Israel must remain inseparable if national salvation were to be achieved, was consistent with the political programme proposed by Likud. In contrast, Labour drew its popular support from individuals and organizations affiliated to Kibbutzim and the

[15] There are several studies on the Israeli occupation, for example Yael Berda, *Living Emergency: Israel's Permit Regime in the Occupied West Bank* (Stanford: Stanford University Press, 2017); Neve Gordon, *Israel's Occupation* (Berkeley: University of California Press, 2008). There is a debate about the degree to which Israeli democracy is applied to its 20 per cent strong Palestinian minority. For two opposing views see Dan Shiftan, *Palestinians in Israel: The Arab Minority and the Jewish States* (Or Yehuda: Kineret, Zmora Bitan, 2011) (in Hebrew); Ilan Peleg and Dov Waxman, *Israel's Palestinians: The Conflict Within* (Cambridge: Cambridge University Press, 2011).

[16] Yaron Ezrahi, *Rubber Bullets* (New York: Farrar Straus, & Giroux, 1997); Colin Shindler, 'Likud and the Search for Eretz Israel, *Israel Affairs*, 8, 1–2, 2001: 91–117.

Histadroot, or the Labour Federation. By the end of the Cold War, Kibbutzim and the Histadroot had significantly declined as Israel was no longer a socialist country promoting collectivist economic and social policies to nation-build, which severely weakened the grassroots support for Labour. In the successive chapters of this book, I show how the unbalanced grassroots' support in favour of the centre-right impeded certain foreign policy options and facilitated others.

A Note on Sources

I should state at the outset that this is not an all-encompassing account of Israeli foreign policy since the end of the Cold War. The emphasis throughout is on Israel – on the perceptions, attitudes and thinking of its leaders, the influence of particular institutions and specific foreign policy determinants that lie beyond government and the Israeli state. The structure of the book is chronological, although I have made every effort to critically evaluate Israeli foreign policy rather than simply to provide a sequential narrative of events. In my reconstruction of Israel's foreign policy, I have relied, wherever possible, on primary sources. It is to Israel's credit that much of its foreign policy documents are freely available to researchers. Students of Israel's foreign policy are well served by the Israeli Ministry of Foreign Affairs series *Documents on the Foreign Policy of Israel*, which is now digitized and is available in different formats on the MFA website. I used this excellent resource extensively.

However, under the thirty-year rule, official documents from the Israeli archives pertaining to the period covered by this book are not yet available. I have tried to bridge this gap by using other types of primary sources and triangulating them. I have consulted memoirs in English, Hebrew and Arabic, authored by the leading decision-makers and practitioners, diplomatic diaries, media interviews and transcripts of Knesset debates and public lectures, government-appointed commissions of enquiry, US Congressional reports and documents released via the WikiLeaks website.

I have also made extensive use of information gained from almost thirty interviews I conducted with the chief policymakers and participants in the events described here: pollsters, leading political activists, heads of Israel's security services and foreign ministry, parliamentarians, ministers and one prime minister. As Avi Shlaim observed long ago, using interviews as evidence involves several problems, including faulty memory, self-serving accounts, distortions and deliberate falsifications.[17]

[17] Shlaim, *The Iron Wall*, p. xvii.

Nevertheless, the interviews I conducted were indispensable for filling some of the blanks. Interviews cannot replace documented history, but they are an essential complementary tool. I list my interviewees in the bibliography and I am grateful to all of them for their time and generosity in responding to my questions.

A final word refers to the debate over Israeli foreign policy, which evokes strong sentiment. For some, the very word 'Israel' is as toxic as the term apartheid was before its final demise. For others, 'Israel' is synonymous with a country that struggles to defend itself in the face of an implacably hostile region. These perceptions are unhelpful; they mask the intricacies of Israel and its foreign policy. The final call, therefore, is for scepticism towards categorical readings of Israel's foreign policy and the embracing of complex interpretations in their stead.