Iran and Israel
Steven Simon

• Israel and Iran have interacted since Israel’s birth in 1948. Although ideology has played a role, their respective regional strategic interests have largely shaped their relationship.

• Relations between the two countries were relatively close until the 1979 revolution. Arms transfers from Israel to Iran continued for a short time, but there have been no publicly acknowledged deals since 1982.

• The 1982 Israeli invasion of Lebanon mobilized the Shiites. Iranian troops deployed in Lebanon and sired Hezbollah to fight Israel. Through a proxy, Iran now faces Israel across a common border.

• Iran also armed and funded Islamic Jihad, which carried out terrorist attacks within Israel in the 1990s and from Gaza since the 1980s.

• Iran’s controversial nuclear program has raised the stakes for both sides in their regional rivalry. Some Israelis believe that their security justifies military action to ensure Iran does not acquire a bomb.

Overview

Iran was a focal point of Israeli foreign policy almost as soon as the new state was established in 1948. After initial stumbles, the two countries developed a close relationship based on shared interests in keeping the Soviets out and pan-Arabism down. Various types of diplomatic, military and trade ties endured for some three decades; Iran was an important source of oil for Israel. But the mutual interests that sustained relations withered after the 1979 Iranian revolution and the Soviet Union’s collapse in 1989. The theocracy began seeking regional influence by doing more than the Arabs to aid Israel’s enemies, while the Americans replaced the Soviets as the mullahs’ bête noir.

Despite its enmity toward the Jewish state, Iran secretly bought weapons from Iran after Iraq’s 1980 invasion. The sales ended in the mid-1980s without producing the rapprochement that some Israelis had hoped for. Relations deteriorated further as Iran took a front line position against Israel by training and equipping Lebanon’s Hezbollah, and encouraging Palestinian attacks on Israel from Gaza and the West Bank. In 2006, Israel and Hezbollah fought Israel’s longest war. Due partly to Iran’s rearming of Hezbollah, Israel’s northern border remains a serious flashpoint.

By 2010, tensions had reached unparalleled heights due to the combination of Iran’s suspected pursuit of a nuclear weapons capability and its virulent rhetoric, which
stressed Israel’s illegitimacy and even its disappearance. Israel has considered unilateral military action to impede Iran’s nuclear efforts, although its leaders would prefer the United States and the international community persuade or compel Iran to abandon any program that could be used to develop a nuclear weapon.

Origins

After the Israeli War of Independence, Iraq cracked down on its Jewish population. As the prospect of pogroms grew, Israel sought ways to smuggle Jews out of Iraq, which had forbidden emigration. Iran provided an exit route for Jews, at a price. Israeli agents were deployed to Iran to facilitate the rescue of Iraqi Jews, but also to cajole Iranian officials to establish diplomatic relations with new state, mainly through bribery. These initial efforts failed, owing largely to domestic opposition orchestrated by Ayatollah Ruhollah Khomeini. But Israel maintained a permanent delegation in Tehran that served as a de facto diplomatic mission. Ambassadors were ultimately exchanged in the 1970s.

Israeli outreach to the Pahlavi regime was defined by the “periphery doctrine,” devised by Israeli Prime Minister David Ben Gurion, diplomatic advisor Reuven Shiloah and Mossad chief Isser Harel. They were motivated by the Eisenhower administration’s spurning of Israel after the 1956 Suez War and the need to replace the lost backing of a great power with some other source of support. The underlying concept was that Israel could leapfrog hostile Arab regimes on its borders by cultivating de facto alliances with non-Arab states at the edge of the Arab world, and vulnerable non-Muslim ethnic groups within it: Turkey to the north, Iran to the east and predominantly Christian Ethiopia to the south, were the key regimes. Lebanese Maronites and Iraqi Kurds were the essential ethnic groups.

Israel’s strategy hinged on a common interest in resisting the spread of pan-Arabism, unleashed by popular Egyptian President Gamal Abdel Nasser, and in winning Washington’s favor by aligning with the United States against Soviet encroachment. Young Reza Shah Pahlavi appreciated these advantages, but he also believed that friendship with Israel would foster U.S. support. Jews, he thought, were a powerful influence on American policy.

Deepening ties

As relations matured, thousands of Israelis went to Iran to work in the defense industry as military advisors—with the SAVAK intelligence as mentors—and in the agricultural and health sectors as technical consultants. The expatriate community became large enough to warrant the creation of an Israeli school in Tehran. Israelis helped the shah pursue his highest priorities, including:

- Creating a powerful military to deter Soviet aggression
- Exerting Iran’s influence in the Persian Gulf, where Tehran was to occupy islands—claimed by the UAE—astride large oil deposits
And advancing the goals of his White Revolution.

For Israel, the burgeoning relationship was a clear success story for Ben Gurion’s strategy of the periphery. It:

- Reduced its diplomatic isolation
- Aligned it with the United States
- Strengthened Iraq’s main adversary
- Facilitated the rescue of Iraqi Jews
- Ensured the security of Iran’s large Jewish population
- And yielded a cash bonanza.

In the late 1970s, Mossad concluded Iranians were angered by the shah’s domestic policies, but believed he could suppress opposition. Jerusalem, therefore, was as surprised as Washington by the monarch’s collapse. The revolutionary regime immediately severed diplomatic ties with Israel, turning over the Israeli Embassy to the Palestine Liberation Organization. But Israel hoped that the status quo ante would be restored once revolutionary fervor faded and the new regime recalculated its strategic interests.

Iraq’s 1980 invasion of Iran fulfilled this hope, for a time. Iran’s desperate military, decimated by purges and the loss of Western military assistance, forced the regime to turn to Israel for crucial supplies. Weapons, munitions, aircraft spare parts and combat engineering equipment were transferred to Iran in an extensive covert operation that later meshed with the Iran-Contra conspiracy launched by the Reagan administration. By 1982, it became clear that weapons sales were not going to renew Iranian friendship, but the profits retained Israel’s interest. Transfers continued until the mid-1980s, when they petered out, in part because Iran’s failure to pay on time undermined the incentives of middlemen.

**Allies to enemies**

Israel adjusted to the loss of Iran as a partner. The Camp David peace agreement ended the threat of renewed Arab-Israeli war, which diminished the need for a periphery strategy and close relations with Iran. The Iran-Iraq War weakened both countries, in turn improving Israel’s strategic environment. And Tehran’s efforts to incite revolution and undermine secular Arab governments, except for Syria, distracted Israel’s adversaries.

The 1988 ceasefire between Iran and Iraq removed any basis for secret engagement with Israel. The Soviet Union’s demise in 1991 also ended Tehran’s fear of a “smash and grab” attack aimed at the Khuzestan oilfields and a warm water port. The Islamic Republic’s interests shifted to seducing Arab and Muslim public opinion, which meant an even harder line toward the Jewish state. Iran’s real-politik hostility toward Israel was reinforced by ideological and obsessive enmity. President Mahmoud
Ahmadinejad is the most visible purveyor of anti-Semitic notions, but such beliefs have circulated among Iran’s leadership since the revolution. Israel’s support for the ancien régime inflamed these views. A confluence of strategic interest and religious rivalry has shaped Iran’s severely negative attitude toward Israel.

Hezbollah

In 1982, Israel invaded Lebanon to destroy the PLO, sideline Syrian influence, and install a friendly Christian government in Beirut. Within days, Tehran deployed Revolutionary Guard Corps (IRGC) in eastern Lebanon to show support for their Shiite brethren. The IRGC never directly confronted Israeli troops. But Israel’s prolonged occupation alienated the southern Shiites and opened the door for greater Iranian intervention.

Iran trained and equipped a small Shiite splinter group that evolved into a highly capable Hezbollah militia with a network of social services for Lebanon’s largest sect. Hezbollah soon became Israel’s deadliest threat, responsible for dozens of attacks against Israeli troops in Lebanon. By 2000, Israel decided its interests would be better served by withdrawing from Lebanon—marking the first voluntary Israeli withdrawal from occupied Arab territory without a peace treaty.

Proxy war

Tehran’s role in Hezbollah’s emergence as a serious regional foe put Iran on Israel’s borders by proxy. In the decade following its 2000 withdrawal, Israel concluded that Iran was, in effect, at war. In 2002, the Israeli Navy seized the Karine A, a ship owned by the Palestinian Authority which had been loaded with a vast array of weapons, explosives and ammunition at Iran’s Kish Island. Since the mid-1990s, Iran had been funding Palestinian Islamic Jihad and training Palestinians at the Dara Kazwin barracks outside Tehran. But a large arms shipment to the Palestinian Authority was a quantum leap.

During this period, Israel and the United States also tracked large Iranian arms shipments to Lebanon’s Hezbollah via Syria. Hezbollah acknowledged these shipments as part of “resistance” against Israel. In 2006, Hezbollah guerrillas attacked an Israeli patrol along the border and seized two soldiers. A new Israeli government, eager to demonstrate resolve and convinced Hezbollah was acting as a tool of Iran, responded harshly. In the 34-day war, Israel’s longest conflict, an Israeli ship was nearly sunk by an Iranian cruise missile and northern Israel was inundated by rockets supplied by Iran to Hezbollah. The war reinforced Israeli views that Lebanon had become Iran’s frontline against it.

Nuclear threat

Iran’s nuclear program intensified Israeli anxieties. In 2005, President Mahmoud Ahmadinejad’s denial of the Holocaust and statements about Israel’s disappearance
added an apocalyptic dimension. The prospect of a nuclear-armed Iran was widely seen as an existential threat. Israeli Prime Minister Benjamin Netanyahu reportedly compared Iran to the Amalekites, whom the Bible says tried to exterminate the Israelites. Most Israelis do not believe that Iran would attack using nuclear weapons. Rather, they fear that a nuclear-armed Iran would be emboldened to take risky actions that could lead to war. Israelis also fear their best and brightest will emigrate, rather than live under an Iranian nuclear shadow.

In 2009, Israel appealed publicly—somewhat quixotically—to the Arab world to cooperate against Iran. Limited cooperation had already started, with the transit of Israeli submarines through the Suez Canal allegedly en route to the Persian Gulf. Reports of discussions between Israelis and Saudis in third countries also surfaced. Israel even staged a large-scale exercise over the Mediterranean Sea. The force deployments and flight profiles in this exercise closely resembled what would be required for a raid on Iranian nuclear facilities. In addition, the 2007 Israeli air raid that destroyed Syria’s unfinished nuclear reactor was widely seen as a statement of Israel’s intention to prevent the rise of a hostile nuclear power in the Middle East.

Prospects for conflict

Israel’s position as of September 2010 was that Iran’s nuclear program is a problem for the international community. Netanyahu has told numerous audiences that he expected the United States to block Iranian progress toward a threshold or weapons capability. Israelis have little confidence, however, that sanctions will suffice. Nevertheless, Israel’s incentives to strike will vary with several factors:

- The effectiveness of sanctions and covert operations to hobble Iranian efforts
- A consensus that diplomatic efforts have been conclusively and irrecoverably exhausted
- Confidence that a strike would set back Iran’s program by three to five years
- Assessment of the effect of a strike on U.S.-Israel relations
- Availability of an uncontested flight path to the target
- The quality of targeting data.

In the fall of 2010, there was no agreement on some of these factors, especially on the feasibility of an attack. The IDF Chief of Staff, Gen. Gabi Ashkenazi, openly shared his skepticism about Israel’s ability to carry out a successful strike. Military action is not likely in the near term, given the pace of diplomacy, the lead-time for sanctions to bite and ongoing talks between the United States and Israel on the way forward. The wild card is an outbreak of fighting with Hezbollah that leads to an Israeli attack against Iran. This scenario might happen, for example, if rockets supplied by Iran to Hezbollah killed a large number of Israeli civilians.

Factoids
• In the heyday of Israel-Iran relations during the 1970s, Israel sold Iran about $500 million per year in weapons and planned to launch a $1 billion joint program to develop a surface-to-surface missile.

• After the revolution, between 1980 and 1983, Israeli sales totaled an additional $500 million, including TOW anti-tank missiles, spare parts for armor and aircraft and large amounts of ammunition.

• Hezbollah has approximately 45,000 rockets and anti-ship cruise missiles for use against Israel.

• Iran provides significant financial aid to Hezbollah for military and non-military purposes. Estimates range from $25 million to more than $100 million per year. In 2010, the Pentagon speculated that Iran provided as much as $200 million annually to Hezbollah.

• Israel is thought to have 200 nuclear warheads and an accurate Intermediate Range Ballistic Missile capability in the Jericho 2.

• If Israel were to attack Iran, it could deploy over 100 long-range fighters and ground attack aircraft as well as the necessary refueling, reconnaissance, and combat search and rescue assets. Israel also has large stocks of JDAMS, the precision-guided bomb that was developed by the United States to attack the kind of facilities that Israel would target.

• Iran has 45 SA-2 and 10 SA-5 high altitude surface-to-air missiles it could use to defend against an Israeli attack. Simulations suggest that these would be insufficient to foil an Israeli attack.

The future
• Iran and Israel will remain at odds for the foreseeable future, assuming that the current regime remains in power. As long as Iranian rhetoric stresses the disappearance of Israel while the regime pursues a nuclear capability, Israel will seek ways to reduce the implied threat to its existence or, less dramatically, its viability.

• Israel is capable of launching an attack against Iran’s nuclear related infrastructure, but could not sustain an offensive or have high confidence in a successful outcome.

• In the past, Israel acted when its leaders believed they were isolated and the country’s back was against the wall. Although these fears are again in the air,
they have not yet gained sufficient traction to impel action. Concerted international pressure on Iran would probably stave off such concerns.

- Lebanon is a flashpoint for Israeli-Iranian conflict. A confrontation between Hezbollah and Israeli forces could escalate. As of September 2010, the parties seemed well aware of the danger and were careful to avoid provocative actions—or reactions.

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