Israel's Changing Threat Environment

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by

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Members of the Committee, thank you for the invitation to appear before you today. I am delighted to offer my views. I must emphasize, as always, that I represent only myself before you today; the Brookings Institution does not take any institutional positions on policy issues.

About a year ago, I appeared before this committee to discuss the likely impact on the region of a nuclear deal with Iran. On the afternoon following a day Israelis began with the discovery of yet another Hamas tunnel from Gaza into Israel, and that ended with the bombing of a bus, it seems like a very apt, and a very sobering opportunity to give you some thoughts on the threats facing Israel from terrorism and the impact of regional disorder. I've had the chance to discuss these concerns with a range of Israeli officials and experts in the last several months, and I'll share my impressions with you.

Let me begin with Iran, the government whose policies and proxies lie behind some of the worst threats Israel faces today. When I appeared before you last year, I said that "Whether there's a nuclear deal or not, I predict we will see a more aggressive approach by Iran in a host of arenas around the region, where the upheaval has given them greater opportunities than before." And indeed that's what we've seen — Iran, helped in Syria by Russia, has pushed forward assertively to advance its influence and strengthen its allies around the region. The Iranian threat — not primarily the threat of nuclear capabilities but rather these other dimensions of Iranian behavior destabilizing the region — has led Israel and the Sunni Arab states of the region to find more common ground in the past year than perhaps ever before.

That said, I want to emphasize that in my view this escalation of Iran's attempts at subversion around the region was inevitable with or without a nuclear agreement. While sanctions relief will, over time, give the Iranian government more resources, the Islamic Republic has been committed to this path since 1979. Ever since this revolutionary regime was established, it has sought to exploit the cracks within societies across the region to expand its own influence. Iran never lacked motivation for its assertions of power. Iran's sanctions-induced economic hardship did not prevent them from giving Hezbollah hundreds of millions of dollars a year, or prevent them from spending billions of dollars and their own soldiers' lives keeping Bashar al-Assad in power. The Arab uprisings of 2011, the civil wars that emerged in their wake,

and the sectarian narratives employed by Iran and its Arab adversaries have all given Iran unprecedented opportunities to expand its activities, and it has exploited those opportunities very successfully. So yes, Iranian interference across the region is likely to continue in the wake of the Iran deal — and it was getting worse with or without the deal. The main driver of instability and threat in the Middle East today is the civil violence in Syria, Yemen, Libya, and increasingly in Iraq. Ending those civil wars should be a top priority for the United States and others concerned with regional stability.

In a <u>major speech in January</u> outlining Israel's strategic environment, IDF chief of staff Gadi Eisenkot noted that the P5+1 nuclear agreement with Iran is a turning point for Israel, because the nuclear threat from Iran used to be the biggest threat Israel faced. While Israel does not assume that Iran will fully comply with the deal, Eisenkot recognized that the dismantling of centrifuges and the Arak reactor, and the shipment of uranium out of the country, have concretely rolled back Iran's nuclear capabilities. He also noted that the <u>IDF does believe</u> that Iran will work hard over the coming five years to gain the advantages they will get by complying with the terms of the agreement. Indeed, Eisenkot said that he did not anticipate Israel facing major nonconventional weapons threats in the near future, because the nuclear deal has rolled back Iran's nuclear capabilities and put them under tighter controls, and because of the removal of chemical weapons from Syria. That gives the IDF important breathing space in which to focus on building up capabilities to address other threats and opportunities. Let me address now some of these other threats.

<u>Syria</u>

For the first several years of the war in Syria, Israel took a fairly hands-off approach: concerned over the emergence of jihadi groups, but wary of Hezbollah and Iranian involvement backing Assad. Israelis used to see the Syrian government as a stable and predictable adversary, and even sometimes as a check on Iran and Hezbollah. But today Israeli military officials judge that it's unlikely Bashar will again control all of Syrian territory, and they see him as dependent and subservient within the Syrian-Iranian alliance.

As a result, it's clear today that the scenario that most concerns Israel in Syria is one in which Assad remains in power in Damascus, and remains dependent on Iran for survival — leaving Iran with stronger influence on Israel's northern border than it had before the war. Iran is determined to sustain Assad in power because Syria is the strategic depth and channel of support to Hezbollah, Iran's most effective regional ally, and is also a good entry point for Iran to the Arab-Israeli arena. According to a <u>new BBC investigation</u> and other sources, Iran has reportedly bolstered its IRGC forces in Syria with militias made up of Iraqi Shia and of Hazara refugees from Afghanistan, who are picked up in Iran and given minimal training before being sent to Syria to fight. The level of Iranian investment in Assad's survival is impressive, and should increase our skepticism that the diplomatic talks including Iran will yield a constructive outcome. Israeli officials also worry that continued chaos in Syria, should the war continue unabated or escalate, could allow jihadi groups like Jabhat al-Nusra and Islamic State to launch attacks into Israel from the Golan. Israel will be looking to the United States, and to some extent the Sunni Arab states who share its concern over Assad and Iran, to advance its interests in the diplomatic talks.

Hezbollah

Of even greater concern to Israel is the impact of the Syrian war on Hezbollah. That concern has several dimensions.

First, Hezbollah's investment in saving Assad has altered the political equation in Lebanon in ways that could destabilize the country. Hezbollah fighters have been operating in Syria, perhaps about 5000 at a time in rotation, and they have lost about a thousand fighters there. This emphasizes very clearly for all to see (including the Lebanese people) that the organization is not so focused, as it claims, in defending Lebanon, but rather on increasing its own power and influence and securing Shia and Iranian influence in the Arab world. In addition, the Syrian civil war has spilled over into Lebanon already, reigniting sectarian tensions and generating an influx of one million Syrian refugees – that's adding 25% to Lebanon's population. The tensions in Lebanon are evident in its politics - the sect-based political factions have been unable to agree on a president for the past year and a half. Hezbollah has been boycotting parliament as well, exercising its effective veto over the political system, and preventing any progress on basic governance in the country. If sectarian tension in Lebanon increases, and particularly if Sunni extremist groups fired up by the Syrian war carry out more violent attacks in Lebanon, Hezbollah could easily choose to try and win political points domestically by attacking Israel. Thus far, Hezbollah has not chosen this path, perhaps because of Israel's deterrent power, perhaps because it worries about overstretch fighting on two fronts; but one cannot assume that reticence will last forever, and unintended escalation is also a possibility.

Second, the prospect of an outcome from the Syrian war that leaves Assad in power and Iran in effective control of the country presages further transfers of weapons and technology from Iran to Hezbollah through Damascus. Iran has already enabled Hezbollah to expand its rocket and missile arsenal to nearly 100,000, some with advanced guidance and some with range that would enable them to target infrastructure and to reach all of Israel's population centers. This prospect makes leaving Assad in control of Damascus a deeply concerning outcome for Israel's security. Israel has acted to try and prevent the transfer of advanced technology to Hezbollah through Damascus several times over the course of the Syrian conflict — but 100% success would be a miracle.

Third, the Syrian war has given Hezbollah fighters extensive experience in conventional warfare, increasing their battle hardiness and thus their capabilities in the event of another war with Israel. Should Hezbollah embark on a campaign of rocket attacks on Israeli territory, the scope of the threat would likely lead Israel to move quickly toward a ground offensive in southern Lebanon designed to reduce or eliminate the attacks. But as Eisenkot noted in January, Hezbollah has scattered its presence across 240 villages in southern Lebanon; each has a defense system; and each, of course, also has a civilian population. In the event of a new confrontation, Israel will be facing a more entrenched, more experienced enemy and the IDF will face real dilemmas in ground operations in southern Lebanon.

Hamas in Gaza

Iran continues to seek to provide funding and weapons to Hamas and Palestine Islamic Jihad in Gaza. While Hamas has reportedly rebuilt some of its tunnel and rocket capabilities since the 2014 conflict, it has not so far sought a new confrontation with Israel. Rather, the rocket attacks from Gaza in 2015 were launched by salafi groups in the Strip that are seeking to compete with and displace Hamas; and Hamas has dealt with them harshly. Recent reports suggest that, under pressure from Cairo, Hamas is also trying to sever links to Sinai militants and prevent its own operatives from going into Sinai. In other words, current events indicate that Hamas seems more interested right now in survival in power, than in confrontation with Israel.

Should Hamas provoke another round with Israel, there is no question that the IDF would face many of the same challenges militarily that it faced in 2014 — in terms of the threat from tunnels, and in terms of the way Hamas embedded both fighters and weapons within the civilian population. Indeed, fighting terrorism in a heavily populated environment is a long-term challenge for the IDF, whether in Gaza or potentially in southern Lebanon or the West Bank. Building up new tactics and capabilities against this challenge is a key task for Israel's military in the coming years.

The West Bank and the "Knife Intifada"

The wave of violence that began in September last year has comprised hundreds of attacks, and <u>claimed the lives of several dozen Israelis</u>, <u>over two hundred Palestinians</u>, <u>and</u> <u>several Americans</u>. According to public comments by officials, the IDF and security services understand this violence to be of a different nature than past terrorism by Palestinians. The attacks do not, for the most part, appear to be directed by any organization, and the individuals who carry out these attacks often do not seem to have planned the attacks in advance in any meaningful way. The lack of organization or direction means that there is little tactical warning that Israel's security forces can use to prevent these attacks; they can only react.

According to the briefings I received in January, the incitement that was evident in the Palestinian media and in politicians' statements in the early months has been significantly reduced, and the IDF was expecting a reduction in the overall number of attacks due to increased efforts both by Israel and by the Palestinian Authority. This past month has seen a dramatic drop in the number of attacks. Two weeks ago, Palestinian Authority President Mahmoud Abbas gave a notable <u>interview to Ilana Dayan of Israel's Channel Two</u> in which he condemned the violence in robust terms and called on Palestinians to stop these attacks. He acknowledged the problem of incitement in the Palestinian media, and spoke powerfully about his security forces' coordination with Israel to prevent attacks. He also reiterated that he sees Netanyahu as a peace partner and is prepared to meet with him at any time.

Overall, Israeli security sources say clearly that the drivers for those who carry out these attacks include <u>despair at the lack of any political horizon</u> in the conflict with Israel. This points to the fact that the stalemate in the Israeli-Palestinian conflict carries a continuing cost for both societies, and that cost may be increasing over time. The status quo in this conflict is deteriorating, not static, and reminds us that a negotiated resolution of the conflict remains Israel's best option for long-term security.

The Israeli government has sought to avoid responding to the attacks in ways that severely constrain the wider Palestinian population. For example, throughout this wave of attacks, 120,000 Palestinians have continued to work inside Israel and in Israeli settlements in the West Bank. The Israeli government has also sought to bolster the Palestinian economy in other ways. These steps are directed toward stabilizing a shaky Palestinian Authority which is a crucial bulwark for Israel against instability and inroads by radical groups into the West Bank.

Palestinian politics are not immune from the governance challenges faced by other Arab societies. There is a <u>wide and growing gap</u> between the Palestinian leadership and the public, particularly young people who see little prospect for economic, diplomatic, or political progress in their current circumstances. Continued uncertainty about leadership succession in the Palestinian Authority and the Palestinian national movement more generally also raises concern over a potential weakening or collapse of PA security forces. Israeli officials I spoke to expressed concern that the anger and violence currently directed against Israel would, if it continues, inevitably turn against the Palestinian Authority as well; and that could provoke a collapse of the PA or an end to Israel-PA security cooperation. This could leave the IDF feeling pressured to reenter Palestinian population centers in an ongoing way, and could make the West Bank vulnerable to inroads by ISIS and other radical groups.

Sinai and ISIS's Egyptian Affiliate

The ISIS affiliate in Sinai has continued to attack Egyptian targets nearly every day. The most recent statistics from the <u>Tahrir Institute</u>, which tracks terrorism in Egypt, recorded 74 attacks in the last quarter of 2015. These included the downing of a Russian passenger plane on October 31st, which has devastated what was left of Egypt's tourist economy. ISIS has also claimed assassination attempts against government officials and individuals accused of supporting the government, IEDs, and armed assaults on various military and civilian facilities.

Egypt's counterterrorism campaign in Sinai has been of limited impact in reducing attacks; one Israeli source told me that the Egyptian campaign was mostly good as "making the sand jump." There are concerns among some observers both in Israel and here in Washington that the Egyptian military's tactics may even be counterproductive. Egypt has, for example, razed homes along the Sinai border with Israel, destroying farmland and displacing thousands of Sinai residents. Such tactics may be alienating Sinai residents and giving ISIS more room to operate. Similarly, Egypt's overcrowded jails are reportedly hotbeds for extremist recruitment.

The Obama Administration, as you know, is redirecting US military assistance to Egypt away from long-term commitments to major weapons systems, and toward effective counterterror and border security capabilities. This effort deserves the robust support of Congress. The United States also has both legal and moral obligations to ensure that its support for Egyptian counterterror efforts does not contribute to human rights abuses, which have vastly escalating in the last two years in Egypt. I know this is an issue your committee is watching closely.

Conclusions

It's clear that the changes in the region have shifted the nature of the threats facing Israel — from state-centered and nonconventional threats to non-state, terrorist and insurgent threats. Israel has long relied on deterrence and superior military capabilities as the backbone of its defense. But the new threat profile challenges that approach. As General Eisenkot has asked, how does one deter terrorist organizations that are not accountable to anyone? Likewise, overwhelming conventional military capabilities are better suited for a major land war than for a campaign against a terrorist group that is embedded within a civilian population.

From a broader perspective, there is in fact a sort of "threat trough" for Israel at the present moment, which presents important strategic opportunities. Iran is pre-occupied with its geopolitical competition with the Sunni Arab states, and its nuclear program has been rolled back in concrete terms, taking that threat off the table for a period of years. Some of Israel's worst enemies in previous years – Syria, Iraq, and Libya – are consumed by civil war themselves. Hamas has less Iranian support than in the past, and is contained and reticent after its 2014 confrontation with Israel; and Hezbollah is for now wholly committed in Syria.

Two opportunities emerge for Israel from this changed threat environment: first, time and space to undertake longer-term planning for the structure, size, and capabilities of the Israel Defense Forces to meet the challenges ahead, especially from non-state actors. Second and perhaps more importantly, to seize the moment to determine what it wants in its future relationship with the Palestinians, and to push forward with steps to advance the two-state solution that Israel's leader continues to avow is in his country's best interests. This unique moment should not be wasted.

As the United and Israel continue discussions on a new ten-year memorandum of understanding on defense assistance, it will be important to evaluate this fundamental shift in Israel's threat environment and help Israel prepare accordingly. Enshrining US-Israel defense cooperation in a new MOU will help address emerging threats, and will give the IDF needed predictability in funding to implement its new long-term plans. Most of all, a new MOU will send a clear signal to adversaries and friends alike about the depth and breadth of the US-Israel defense partnership. In other words, the significance of the MOU goes well beyond a dollar amount, a specific capability, or a specific source of threat. I hope it will be concluded soon.