



From Isolation to Desired Partner: The Success of Israel's Grand Strategy in the 21st Century

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EXECUTIVE SUMMARY: One of the most serious challenges Israel has faced since it achieved independence was its economic and diplomatic isolation in the region and the world. This isolation has eased dramatically in recent years. Israel has become a welcomed partner and is involved in economic and military collaborations with many new regional allies. While this reversal can be explained in part by changes in the geopolitical makeup of the region that opened up new opportunities, Israel's ability to fully exploit those opportunities reflects its successful pursuit of David Ben-Gurion's vision that the country's future would depend above all else on advances in its qualitative edge and the cultivation of its human talent.

In October 1956, Israeli soldiers stormed Egyptian military positions in the Sinai Peninsula as part of the Sinai Campaign. After the fighting was over, the exhausted soldiers found a dark sweet drink in the kitchen of the Egyptian base. The drink was Coca-Cola, and that was the first time those Israelis had ever tasted it.

Coca-Cola, the company that symbolized Western capitalism and the good life of the free world, had knuckled under to the Arab boycott on Israel, as had many other leading international companies that would not do business in or with Israel for fear of Arab pressure. Coca-Cola did not start selling its products in Israel until 1966.

Three years before the Sinai campaign, in October 1953, David Ben-Gurion immersed himself in studying Israel's strategic challenges in what has become known as "Ben-Gurion's second seminar". The outlook at the time was grim. Israel was facing a monolithic bloc of 22 Arab states backed by an even larger Muslim bloc of many more countries. While these countries were divided on many issues, the common denominator was their refusal to acknowledge the State of Israel and their commitment to resisting its very existence. No wonder, then, that companies like Coca-Cola saw their interests as lying with the vast markets of the Arab and Muslim world over the tiny Israeli market.

Ben-Gurion, aware of Israel's isolation in the region, sought to secure the country's security by formulating basic tenets that would ultimately serve the country for decades. These included, among other things, a commitment to developing and maintaining Israel's human qualitative and technological superiority while securing a strong alliance with a superpower. Ben-Gurion believed that through Israeli patience and perseverance, Arab resolve would gradually erode until the monolithic Arab wall facing Israel eventually crumbled.

During this early period, Israel tried to find ways to ease its diplomatic isolation. Ben-Gurion attempted to advance a "periphery alliance" between Israel and moderate pro-Western Muslim countries such as Turkey and Iran, as well as national minorities like the Kurds in Iraq. Israel offered its agricultural expertise to third-world countries in Africa and Asia in a further attempt to build diplomatic bridges. But in view of the confines of the Cold War and the fact that Israel was a poor country with little to offer, these attempts came to little. Israel had to rely on its own military power; support from its main ally, France; and more modest support from other Western countries, such as the US and Germany.

Israel's position changed dramatically following the Six-Day War, which woke the world up to its military prowess. As Ben-Gurion hoped, Israel's belligerents had to accept that Israel could not be overcome by sheer force. Moreover, Israel was now in possession of the territories captured during the war. The Khartoum Resolution of 1 September 1967, however, with its famous "Three Nos" -- no peace with Israel, no recognition of Israel, and no negotiations with it -- was quick to bring Israel back to the realities of the Middle East.

Despite the Khartoum Resolution, some covert negotiation did take place, mainly with Egypt and Jordan, but nothing came to fruition. Israel had to endure Arab diplomatic pressure during and after October 1973, when its friends in Western Europe bowed to Arab desires and refused to allow the US to deliver much-needed military aid to Israel (Operation "Nickel Grass") or refuel in their

territories. The Arab oil embargo proved a highly effective weapon with which to pressure the West to comply with Arab policy goals vis-à-vis Israel.

It took another war and the courage of Egyptian President Anwar Sadat to break ranks with the Arab world and sign a peace accord with Israel to advance what he perceived as Egypt's best interests. Sadat paid lip service to the Palestinian cause in exchange for getting everything he demanded for Egypt: full restoration of his territories and American sponsorship to supersede that of his Soviet allies. The peace was cold, and Sadat soon paid with his life for having signed it, but it was nevertheless a watershed event in Israel's history and a resounding success for Ben-Gurion's grand strategy and vision. The hope was that more Arab countries will follow Egypt's lead, but those hopes were premature. Egypt found itself boycotted and isolated.

The stage was set for another breakthrough only at the end of the Cold War. The Oslo Accords between Israel and the Palestinian Liberation Organization (PLO) and the forming of the Palestinian Authority (PA) were perceived as the first major steps toward the implementation of a two-state solution. Israel's expectation was that once conditions for settling the Palestinian conflict were met, more countries would follow Egypt in seeking peace with Israel. This began to be realized when Jordan, a country with whom Israel had always maintained secret channels of communication, came forward and signed a peace treaty with Jerusalem.

However, ever since then, the peace process with the Palestinians has gone from bad to worse. First was the failure of the Taba Summit of 2001, then the eruption of the Palestinian terror campaign of 2000-05. The last straw was in 2008, when PA President Abu Mazen failed to agree to a comprehensive proposal initiated by Israeli Prime Minister Ehud Olmert.

As the second decade of the 21st century approached, it appeared that Israel's ability to make new diplomatic breakthroughs and alliances still depended on the advancement of the Palestinian negotiation track. In other words, the key to Israel's integration into its neighborhood seemed to remain in the hands of the Palestinians.

This was the view held by many leaders, diplomats, journalists, and other pundits who said repeatedly that the only way for Israel to advance its interests with other countries in the region and gain legitimacy was to make concessions to the Palestinians. That was purportedly the only way to renew the peace process, which was viewed as a precondition for any further diplomatic breakthroughs. The intense global delegitimization campaign against Israel led by the BDS (boycott, divestment, and sanctions) movement added to the sense that Israel was becoming isolated once again.

In contrast to this perception, the policy of the Netanyahu governments was predicated on the conviction that the “Palestinian problem” is no longer an impediment that needs to be resolved as a condition for Israel to make diplomatic and commercial headway with its neighbors, nor a concern around which Israel’s engagements with its traditional allies need to be formulated. Israel continued to aspire to develop strong relations in the region and break its isolation, but without the encumbrance of Palestinian prerequisites. Israeli policymakers sought to emphasize the benefits the country offered the world and its neighbors through its mastery of hi-tech and clean-tech innovation, counter-terrorism, medicine, agri-tech, and more. This policy has proved so far to be a resounding success.

In a large arc from Azerbaijan to Greece, Cyprus, and the Gulf Countries, Israel has been strengthening its relations through military and defense collaboration, commerce, technology, and science. Israel has begun to view itself as an economic leader of the Eastern Mediterranean and discovered its sea, across which it has spread energy, water, and transportation infrastructure. In parallel, it has begun to offer its technological and security capabilities to help stabilize and protect the region’s Arab regimes from both internal threats posed by extremist religious groups following the fallout of the “Arab Spring” as well as external threats posed by Iran following regional disappointment over the Iranian nuclear deal.

This process culminated in the historic normalization agreements known as the Abraham Accords, which were signed at a time when Israeli-Palestinian peace talks were at their lowest point in decades. The signing, which coincided with offshore natural gas discoveries, resulted in an increase in Israeli tourism and trade with the Arab Gulf States.

Israel’s gas discoveries prompted unprecedented attention to its sea and to the concept of a western border with which Israel can engage, an idea that opened up a new frontier for Israeli foreign relations. A strong alliance has emerged between Israel, Cyprus, and Greece. This alliance has become an important trade and diplomatic partnership that can help negate threats of sanctions by the European Union and compensate for deteriorating relations with Turkey, though the latter has seen some improvement in recent months.

In parallel, following the ongoing disengagement of the US from the region, Israel has positioned itself as a regional leader in opposition to Iran’s nuclear aspirations and regional expansion efforts. In a highly significant development, Israel is now viewed by the Arab Gulf States as a strategic ally to compensate for US disengagement from the region.

Consider a few recent events. An entire Israeli Airborne Division along with the Israeli Naval and Air Force conducted a joint exercise in Cyprus with the Cyprus

Armed Forces. A landmark deal was signed between Cairo and Jerusalem to export Israeli gas via Egypt to Europe. A delegation of Egyptian business leaders visited Israel for the first time in 10 years with the purpose of expanding activity in the Qualified Industrial Zones (QIZ).

Additionally, the media are reporting that the Israeli Chief of Staff met with his Saudi counterpart in Cairo -- reports that tellingly have not been denied by the Saudis. The Turkish intelligence agency MIT worked with the Israeli Mossad to intercept an Iranian terror cell in Istanbul while a delegation from Israel's universities visited Bahrain for the purpose of establishing academic collaborations between the two states' academic institutions. IDF officers participated as observers in "African Lion 2022", a joint exercise by US and Moroccan Armed forces.

The Biden visit to Israel and the Middle East in July 2022 was another important steppingstone in this development. As of this writing, tangible diplomatic results are not yet clear, but the symbolic meaning of the visit cannot be overstated. The US administration sent a message that under the America umbrella a new security architecture is developing involving Israel, Egypt, Jordan, Saudi Arabia, and the Gulf States, which will constitute a counter-Iranian alliance of moderate regimes aligned with the West. This is enhanced by another major development: the Arabs dropped their objection to Israel's joining US CENTCOM, a step that will make it possible for the US to coordinate defense of the member states under US guidance. True, this is not Chapter 5 of NATO, but it is a huge step forward for regional collective security and collaboration.

Israel's shift from isolation to sought-after partner happened in a little more than a decade. It is clearly the result of substantial shifts in the geopolitical landscape that have forced countries to reassess and reformulate their national interests and priorities in light of the new strategic environment. A string of events in the Middle East had this effect: The Arab Spring and regime instability, the US disengagement from Iraq and Afghanistan, and the growing power and activity of Iran and its proxies. Other issues, mainly environmental and socioeconomic, are adding to ongoing pressures, mainly (but not restricted to) water shortages, unemployment, and health crises like Covid-19.

It should be noted that calls to boycott Israel still exist. The BDS movement has a strong appeal among activists and Palestinian sympathizers, especially among the young, and is present on campuses in both Europe and America. Under certain circumstances, this can evolve into a serious threat. During Operation Guardian of the Walls in Gaza in May 2021, employees of a number of companies, including Google, called for company action against Israel. The war in Ukraine demonstrates

that companies are prepared to take sides and terminate operations in a country if they wish to do so. Israel should take note.

Prime Minister Benjamin Netanyahu fervently advocates the idea that gas exports can be used as an effective geopolitical tool to cement Israel's position in the region through "pipeline diplomacy". He has stated that "a country that exports things that are crucial for the surroundings or for other countries has far more power. ...Alliances are made with the strong, and in the end peace is made with the strong"¹.

Opportunities can be exploited to their fullest when capacity exists and attractive commodities can be offered. Israel now faces many such opportunities to change its fortunes and its standing in the region. It is optimally equipped to take full advantage of these opportunities. Whether it be cyber, water desalinization, medicine, security technology, energy, or clean-tech, Israel has it all.

Israel should give credit to Ben-Gurion's vision. At a time when Israel was isolated and boycotted, he asserted that Israel could survive if it focused its energy on developing its qualitative edge: science, technology, and above all, its human talent.

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¹ <https://twitter.com/israelipm/status/1034849460344573952?lang=en>