

American Policy Toward Israel

The power and limits of beliefs

Michael Thomas

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American Policy Toward Israel explains the institutionalization of nearly unconditional American support of Israel during the Reagan administration, and its persistence in the first Bush administration in terms of the competition of belief systems in American society and politics.

The book explains policy changes over time and provides insights into what circumstances might lead to lasting changes in policy. It identifies the important domestic social, religious and political elements that have vied for primacy on policy toward Israel and, using case studies, such as the 1981 AWACS sale and the 1991 loan guarantees, argues that policy debates have been struggles to embed and enforce beliefs about Israel and about Arabs. It also establishes a framework for better understanding the influences and constraints on American policy toward Israel. An epilogue applies the lessons learned to the current Bush administration.

This book will be of interest to students of U.S. Foreign Policy, Middle Eastern Politics and International Relations.

Michael Thomas is a former military lawyer and civilian litigator who is concerned with the formulation of American policy in the Middle East. He holds a PhD in International Relations from the London School of Economics, U.K.

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1 Explaining the extra-special relationship

The battle of beliefs

The relationship between the United States and Israel is in many ways unlike any other bilateral relationship of the United States. That much is agreed by all knowledgeable observers. Americans and their officials also agree that the United States has undertaken, and will always honor, an obligation to insure the continued existence and security of the State of Israel. As to nearly any other statement about the relationship, disagreements are numerous and often rancorous.

When you listen to participants in the policy process, you are always struck by the wide divergence in relevant beliefs, and the intensity of advocates' efforts to establish their beliefs as predominant. To understand the policies as well as the rancor, it is necessary to identify the beliefs of important participants in the policy-making process, and to study how the competition among those beliefs is conducted. Most important are beliefs, both moral and strategic, about the identity and role of Israel. Also relevant are beliefs about Arabs and Palestinians, Islam and terrorism and (during the Cold War) Soviet communism.

Advocates seek to establish their beliefs as predominant in part by identifying them with prevailing American cultural, normative and ideological preferences. Salient pro-Israel conceptualizations have been: Israel as religious or eschatological imperative; moral obligee; Western democratic cultural sibling; and finally as strategic asset in American efforts to contain Soviet communism and Islamist terrorism. Most Americans understand Israel to be the land of their Bible and the country in the Middle East most like the United States in important ways: democratic, open and populated by fiercely independent and courageous people. That vision of Israel, and empathy with its founding after the Holocaust, have formed the basis of broad popular support. Those Jews and Christians for whom Israel fulfills an eschatological role argue there is a religious duty to support those who seek to reconstitute the land God gave Abraham. Others, including but not limited to Jews whose self-identification is tied up with Israel, argue that Israel is America's cultural sibling and moral obligee, and that it must

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always be favored over its neighbors as the region's only Western-style democracy. Many, including those for whom the principal reason for support is really religion or affinity, make a strategic case for maintaining Israel as a regional hegemon. On the other side are realists and others not driven by religion or affinity, who deny some or all of the proffered justifications and argue that policies uniquely and overwhelmingly favoring Israel have been not just wrong, but destructive of American interests.

Personal belief systems also explain divergent characterizations of the process by which policy toward Israel has come to be what it is. Realists and other critics of American policy, frustrated by the perceived irrationality of their opponents, sometimes claim that a small, mostly Jewish, pro-Israel lobby has American policy in a "stranglehold," and has caused the United States to abandon its own national interests in favor of Israel's interests by means of political leverage, intimidation and control of public discourse. This implied accusation of dual loyalty or worse is sometimes made explicitly. Those who support ever-stronger ties argue that such ties not only facilitate a rational pursuit of American national security interests but also affirm American political and moral values. They tend to view the critics as blind to America's true interests, or even as anti-Semitic. Each of these positions, and their many permutations and combinations, reflect sets of beliefs about Israel, about Arabs and Palestinians, and ultimately about what America is or should be.

Most analysts of international relations use rationalist models, in which actors' interests, preferences and causal beliefs are given and ideas are relegated to minor roles. However, one's beliefs shape how he defines goals and understands cause and effect. They provide filters and blinders as he seeks and considers evidence. They provide default positions when strategic analysis yields only ambiguous answers. And by defining policies over time and becoming embedded in political institutions, beliefs can shape policy long after the evidence originally relied upon is obsolete or discredited (Goldstein and Keohane 1993: 3). Beliefs can be "world views" (fundamental normative, cosmological, ontological and ethical beliefs), "principled" beliefs about justice or causal beliefs.¹

American policy makers often "default" to policies based upon cultural ideology, a "structure of meaning" that defines the American collectivity, its morality, and its friends and enemies (Mansour 1994: 261). When in doubt, "political actors follow the strategy most in conformity with their identity and ideology." Such a strategy can be stable in the absence of substantial material interests (*ibid.*: 276–7).² When in most cases a policy of strong and unconditioned support does not appear to damage U.S. interests, the policy maker is reassured that optimism and following his "conscience" are warranted.

Beliefs held strongly by leaders tend to stifle debate and chill the production of variant approaches to policy; as such ideas become embedded as "conventional wisdom," the quality and variety of policy papers declines, and career decisions are affected. Beliefs become "institutional roadmaps." Even

if individual officials can identify viable policy options based upon different beliefs, they are often not given a full hearing because to do so would force rethinking basic assumptions about values or causation. An example is the relatively insignificant impact of the regional specialists (“Arabists”) of the State Department in the years under study.³

Ideas or ideology have other functions in policy-making: mobilizing support; structuring information; obscuring alternative facts and policy options; and creating momentum or inertia, among others. Whatever the origin of ideas or their continuing connection to interests, they persist in influence when they become embedded in institutions and in the terms of policy debate, particularly when they have affected institutional design. Political institutions – agency organization and staffing, laws, rules, norms, operating procedures, and budgets – mediate between ideas and policy outcomes (Goldstein and Keohane 1993: 20–1). As ideas become predominant and embedded institutionally, they change political institutions so that policy makers thereafter have a different set of enabling and constraining structures within which to work.⁴ Changes in policy – here, we posit a “ratcheting” of support for Israel – must take into account, not just external events and the contemporaneous preferences of the president and other participants in the process, but also the institutional changes that have been produced in part by the cementing of ideas central to prior policy decisions.⁵

This book will seek to explain the elements and dynamics of the “special relationship” and how it has shaped and constrained American policy toward Israel and the Palestinians. To do so, it will focus on groups holding different sets of beliefs about Israel and Palestinians, and their efforts to establish their beliefs as predominant and thereby limit and define policy options. In each administration, the president and the key advisers on whom he relies bring their beliefs and leadership skills to a contest in congressional and electoral politics with groups possessing their own skills and sets of beliefs. We will look in depth at the administrations of presidents Ronald Reagan and George H. W. Bush, 1981–1993. During Reagan’s two terms, proponents of ever-deeper ties and nearly unconditional support of Israeli policies, led by the American Israel Public Affairs Committee (AIPAC), had a receptive audience, and succeeded in embedding their beliefs in policy and institutions to an unprecedented degree. During “Bush I,” it became evident that this process of ratcheting support had limits, and was conditional on developments in the region and the degree to which the president and his chief advisers shared their predecessors’ deep emotional affinity toward Israel. Drawing on the lessons learned in the two administrations, we will summarize the important determinants of American policy toward Israel and the Palestinians. In an epilogue, we will examine how the elements described and analyzed in earlier administrations have changed during the administration of George W. Bush, and how the dynamics of change played out through 2006. We will find that some advocates, and some sets of beliefs, grew in influence, and some receded at least temporarily.

How special is it?

Generally, those who speak of a “special relationship” between the United States and Israel are referring to the cultural, religious, moral, historical and emotional ties between the peoples of the two nations. It is a phrase often used to refer to one set of explanations for favorable American policies toward Israel, in contradistinction to strategic arguments for cooperation and support. Often, arguments for support of Israel cast in terms of affinities and moral or religious obligations are more effective with target audiences than arguments based on Israel’s asserted strategic value. However, the resulting policies are not limited to moral or emotional support or guarantees of Israel’s security, but involve very real economic, military and political assistance, often of Israeli governments which then pursue policies not favored, or even actively opposed, by the United States. Some of that support can be quantified, and compared with how the United States treats other states, including strategic and ideological allies.

Israel has been the largest recipient of U.S. foreign aid in the period since World War II; it was the largest recipient for the years 1976–2004, when Iraq began to account for more aid.⁶ Total economic and military aid, including loans and grants, amounted to over \$146 billion (in constant 2004 dollars) in the period 1946 through 2004. Most of that aid was given after 1970, and all loan programs were converted to grant programs in 1981 (Economic Support Funds, or ESF) and 1985 (Foreign Military Financing, or FMF). At Israel’s request, ESF funds are being phased out by 2008, partially offset by increased FMF funds; however, the FY2007 budget request for aid to Israel totals \$2.59 billion, about 30 million more than FY2006.⁷ Unlike other aid recipients, whose funds are parceled out over the fiscal year and allocated to audited programs, Israel by law receives its aid money within 30 days of the start of the fiscal year, and ESF funds are unallocated and essentially unaudited. Also unlike other recipients, Israel can use approximately one-quarter of its FMF funds to purchase from Israeli, rather than American, manufacturers.⁸ FMF constitutes approximately 23 percent of the Israeli defense budget.

These direct aid figures measure only a part of the total economic benefit of the relationship. Israel is one of three countries (the others being Canada and Mexico) that benefit from laws permitting tax deductions for contributions to foreign charities. Such contributions are thought to exceed \$1 billion per year; some go to settler organizations and others who could not under United States law be the beneficiaries of ESF or other aid funds. In 1985, the two countries signed a Free Trade Agreement that resulted in the elimination of all customs duties between the countries and a 200 percent increase in Israeli exports to the United States.⁹

The military support given by the United States, including FMF, is intended to allow Israel to maintain a “Qualitative Military Edge” (QME) over all neighboring militaries.¹⁰ In April 1988, Israel was declared a “major