

Foreign Policy of the Bennett-Lapid Government: One Year On

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Introduction

A year on from being sworn in, the Israeli government headed by Prime Minister Naftali Bennett and Alternate Prime Minister and Foreign Minister Yair Lapid is suffering from major domestic political challenges. Yet in the field of foreign policy, it can boast significant achievements, especially in the improved diplomatic relations with many of its neighbours.

This paper details these improved relations and examines how shared regional economic and military interests – centred around the fear of an increasingly active Iran – coupled with the goodwill and opportunities provided by the 2020 Abraham Accords have begun to alter the geo-strategic map of the Middle East. In this context, the government has focused on a more active policy against Iran, deepening (and potentially expanding) the Abraham Accords, and trying to promote a regional security infrastructure which includes many Arab states in the region. With the country due to host US President Biden in mid-July, these issues will continue to remain priorities for the Bennett-Lapid government.

Shifting the battle vs. Iran into ‘higher gear’

The Israeli government continues to oppose a return to the Joint Comprehensive Plan of Action (JCPOA) nuclear agreement, with Prime Minister Bennett warning that it would “likely create a more violent, more volatile Middle East” and that the money Iran might receive in sanctions relief would allow it to better focus on attacking Israel. “Billions of dollars into the Iranian terror machine – more UAVs, more attacks on ships, more rockets on Israel and our allies through its proxies,” Bennett said in March. Yet, in contrast to former Prime Minister Benjamin Netanyahu, the government has actively sought to keep policy disagreements with the US ‘in-house’.

With JCPOA negotiations seemingly stalled, Israel now faces the challenge of preventing Iran becoming a nuclear threshold state. The publication by international media of documents from the Iranian nuclear archive

(that had been considered top secret), and the censure by the International Atomic Energy Agency (IAEA) over what it called Iran’s failure to provide “credible information” over man-made nuclear material found at three undeclared sites, has placed greater international pressure on Iran. But, as one Israeli government official admitted, Iran has enriched enough uranium to a high-grade to allow it to build three nuclear bombs. Moreover, a June report by the Institute for Science and International Security concluded that Iran had crossed a new, dangerous threshold and its breakout timeline now stands at zero. According to the report, the Islamic Republic possesses enough 60 per cent enriched uranium or highly enriched uranium to be assured it could build a nuclear device (and if it wants to further enrich its 60 per cent uranium to weapon-grade, 90 per cent, it could do so within a few weeks with only a few of its advanced centrifuge cascades).

The government describes its Iranian policy as shifting into “higher gear”. In early June, while reflecting on his government’s Iran policy to the Knesset’s Foreign Affairs and Defense Committee, Bennett called it “a transitional year” in the course of which Israel had “shifted into higher gear”. “The State of Israel has been operating this past year against the head of the octopus of terrorism” Bennett said, rather than “just against the octopus’s tentacles, as was done in the past few decades”.

This strategic shift has seen Israel increasingly willing to hit Iranian assets and personnel within the country rather than only focusing on Syria. Similar to its policy in recent years, strikes in Syria have continued in order to undermine Iran’s presence in the country and to slow its attempt at smuggling advanced weaponry and components to upgrade Hezbollah’s precision-guided missile arsenal. In mid-June a strike on Damascus International airport shuttered all air travel. But according to Bennett, Israeli policy against Iran has expanded. It is now “acting, at all times and in every place, and we will continue to do that”.

Israel has also sought to neutralise Iranian attempts to hit Western targets abroad. In April, Mossad operatives in Iran allegedly captured and interrogated Mansour Rasouli, who was leading a plot to kill an Israeli diplomat and a US general stationed in Germany and a Jewish journalist in France. In late May, Col. Hassan Sayyad Khodae, deputy commander of Unit 840 – which is responsible for to plans to murder Israelis in Turkey – was killed in Iran.

Israel’s ‘higher gear’ policy also allegedly includes targeting Iranian officials connected to the country’s nuclear and missile projects, several of whom have died in mysterious circumstances over the last month. These include Islamic Revolution Guards Corps (IRGC) Aerospace Forces scientist Mohammad Abdous, who was said to have been working on Iran’s satellite programme and helping to develop ballistic missiles and unmanned aerial vehicles (UAV); IRGC Aerospace Forces officer Ali Kamani who was reportedly killed in a “car accident in line of duty”; aerospace scientist Ayoub Entezari, who was charged with expanding missile development and the space programme in Iran; and Kamran Mollapour an Iranian geologist working at the Natanz nuclear facility. IRGC Quds Force Colonel Ali Esmailzadeh also died during a reported “incident in his residence”.

The policy also includes hitting an array of targets inside Iran using drones. In February, a UAV attack was said to destroy hundreds of drones at an airbase near Kermanshah, in Western Iran. Since then, several advanced quadcopter drones carrying powerful explosives damaged a secret and classified military installation in the Parchin military technology complex.

‘Cultivating old ties; building new bridges’ – Jordan, Egypt & the Gulf

“The Middle East is changing and it’s changing for the better” Bennett stated in March 2022 before a meeting of Israeli and Arab foreign ministers in Sde Boker. “We’re cultivating old ties and building new bridges.

We’re rejuvenating old peace and charging it with the new energy of the Abraham Accords.” Bennett explained that Israel was working together with other states in the region “to overcome the old forces of darkness and build a new future that is better, brighter and promising”. These principles are reflected in Israeli policies towards Egypt, Jordan, and the Gulf States over the past year.

One of the government’s first foreign policy priorities was mending diplomatic relations with Jordan, which had suffered during Netanyahu’s tenure, notably in 2019 when the Kingdom decided to end the 25-year lease agreement created in the 1994 Israel-Jordan peace treaty that had enabled Israeli farmers to cultivate land in two border areas.

King Abdullah II has hosted Israel’s Prime Minister, Foreign Minister, Defence Minister and President over the last year. Bennett came to Amman within a month of the new government’s swearing in, while Foreign Minister Lapid met with his Jordanian counterpart, Ayman al-Safdi, on the Jordanian side of the Allenby Bridge. New trade agreements were signed to strengthen ties, with Lapid and al-Safdi agreeing to raise the ceiling for Jordanian exports to the West Bank from \$160m annually to \$700m, and Israel approving the sale of an additional 50 million cubic metres of water to the Kingdom – the largest such transaction since the signing of the 1994 peace treaty.

The two sides also signed an energy cooperation agreement. Helped by financing from the UAE, the November 2021 agreement envisioned the construction of a major photovoltaic (solar) plant in Jordan with the capacity to generate 600 MW to export green power to Israel, while a desalination plant will be established in the Israel to send up to 200 million cubic metres of water to the Hashemite Kingdom. Despite the warming of ties, tension has continued, primarily over the Temple Mount.

Israel’s relations with Egypt – which were strong and stable under the previous government – have also seen an uptick. In September 2021, Bennett travelled to Egypt’s Sharm el-Sheikh for an official state visit,

receiving a warm welcome from President Abdel-Fattah el-Sisi. The first such summit between Israeli and Egyptian leaders in more than a decade lasted three hours and – unlike previous tete-a-tete’s which were kept low profile – Egypt state television broadcast the visit. In February, at a regional gas conference hosted in Cairo, el-Sisi made a point to walk to personally greet Israeli Energy Minister Karine Elharrar, telling her how happy he was that she could attend. In March, followed the inauguration of a new flight route between Ben Gurion Airport and Sharm el-Sheikh, Bennett became the first Israeli leader to sleep overnight in an Arab country in over 20 years when he took part in a trilateral meeting with el-Sisi and UAE Crown Prince Mohammed bin Zayed.

The upward trajectory of top-level relations with the UAE, Bahrain and Morocco has continued. In July 2021, Lapid became the first Israeli minister to officially visit the UAE and opened the Israeli embassy in Abu Dhabi and its consulate in Dubai, signing economic and commercial cooperation agreements with his Emirati counterpart, Abdallah Bin Zayed. In August, Lapid flew to Morocco, followed by a visit by Defence Minister Gantz and the signing of a memorandum of understanding that formalised the defence ties allows the official security cooperation and intelligence sharing between the two countries. In August, Bahrain appointed its first ambassador to Israel, Khalid al Jalahma. In December 2021 and June 2022, Bennett flew to meet UAE Crown Prince Sheikh Mohammed bin Zayed Al Nahyan.

Energy & economics in the Eastern Mediterranean

The EU has expressed interest in importing Israeli gas – In mid-June, EU Commission chief Ursula von der Leyen met with Lapid and Bennett to focus on energy cooperation. The shortage of natural gas created by the war between Russia and Ukraine has created European demand for Israeli energy, and Israel signed an agreement to export natural gas to the EU via Egypt.

The Israeli government has also continued to expand its relations with Cyprus and Greece, primarily (but not exclusively) against the backdrop of energy and natural gas. President Herzog visited both countries in late February and early March. In May, the foreign ministers of the three countries held a virtual meeting together with the US to “reaffirm their shared commitment to promoting peace, stability, and prosperity in the Eastern Mediterranean”. In a statement, the countries announced their decision to “intensify their cooperation in the areas of energy, economy, climate action, emergency preparedness, and counterterrorism, contributing to resilience, energy security, and interconnectivity in the region”. They also decided to develop a roadmap with tangible deliverables for the coming year, and to set the stage for a follow-on meeting before the end of 2022.

The European Union’s decision to fund the construction of an undersea electricity cable will further strengthen ties. In January, the EU earmarked \$736 million for the construction of a 2,000-megawatt cable that will link the power grids of Israel, Cyprus and Greece. Cypriot President Nicos Anastasiades called the decision a “significant landmark” which “upgrades the region’s energy goals,” adding that the cable “tangibly underscores the significance of the three-way cooperation between Cyprus, Greece and Israel”.

Israel also continues to be active in the East Mediterranean Gas Forum alongside Cyprus and Greece as well as Egypt, France, Italy, Jordan, and the PA. The EMGF’s formal charter was signed in September 2020 and entered into force in March 2021, during the tenure of the previous government. It is unclear the extent to which energy found in the eastern Mediterranean could help alleviate the current energy crisis in Europe following the Russian invasion of Ukraine. (Were Israeli gas to ultimately facilitate less European dependence on Russian gas, it could create added tension with Putin). Meanwhile, negotiations between Israel and Lebanon to determine their maritime border are at a deadlock, with rising tensions and Lebanese threats over Israeli drilling south of the disputed area.

Questions abound over the feasibility of the Israeli-Greek-Cypriot plans for a proposed joint natural-gas pipeline. While the EU is potentially supportive of the EastMed pipeline, designed to transfer natural gas from Israeli waters to Europe via Greece and Cyprus, it is no longer supported by the American administration amid questions over its feasibility and adverse impact on the environment. In any event, Israel will continue cooperating with Cyprus on the exploitation of offshore gas resources — at least one field straddles their respective maritime zones.

Energy is also a component in the diplomatic thawing of relations between Israel and Turkey with President Erdogan emphasising the importance of energy cooperation and his readiness to “cooperate (with Israel) in energy and energy security projects”. In February, the President said that Turkey could “use Israeli natural gas in our country, and beyond using it, we can also engage in a joint effort on its passage to Europe”. A few weeks later, he stated his belief that “one of the most important steps we can take together for bilateral ties, would be natural gas. Turkey has the experience and capacity to implement such projects”, adding: “The recent developments in our region has shown once again the importance of energy security.”

Diplomatic visits and specific cooperation against Iran reflect the improvement of ties. In late May, Foreign Minister Mevlut Cavusoglu visited Israel, the first Turkish foreign minister to come to the country in 15 years. It followed a Presidential visit by Isaac Herzog to Turkey in March. Herzog and Turkish President Recep Tayyip Erdogan both said they wanted to normalise ties. In June it was reported that Turkey's MIT (National Intelligence Organisation) had worked together with Mossad to foil Iranian attempts to target Israeli tourists in Turkey.

Israel has welcomed Turkey's advances (Erdogan has also worked to improve relations with the UAE and Egypt) but wants to maintain its relations with Greece and Cyprus. The two sides have some differences over Hamas (although according to reports Turkey requested dozens of Hamas activists leave the country and prevented

others from entering) and the solution to the Israeli-Palestinian conflict. For the time being, both sides are moving ahead cautiously and incrementally.

Towards a regional security infrastructure?

Bennett and Lapid share Netanyahu's vision of a regional alignment in which Israel is part of a pragmatic Sunni-Arab front against Iran and have also pushed for the establishment of a new regional security architecture. A week after the trilateral summit in Sharm el-Sheikh, Lapid hosted the Negev Summit in Sde Boker that included Secretary of State Blinken and the foreign ministers of the UAE, Egypt, Morocco and Bahrain and which constituted the first iteration of what will likely become a permanent regional forum. According to reports, these summits will explore the formation of a regional defence pact that would place radars and leading Israeli anti-missile technology – including the new laser system being developed – around the region to provide protection against Iranian missiles, rockets and UAVs. Indeed, Lapid described the Sde Boker meeting as building “a new regional architecture based on progress, technology, religious tolerance, security and intelligence cooperation”. “This new architecture” he said, “the shared capabilities we are building, intimidates and deters our common enemies – first and foremost Iran and its proxies”.

The summit aimed to bolster the Abraham Accords and provide a united front to the US amid shared concerns about Iran and the anticipated return to the JCPOA. The sides share a concern that the removal of US sanctions would bring billions of dollars to Iran, which would subsequently be used to fund terrorism and instability throughout the Middle East.

Israel and the Gulf countries have also deepened economic and military ties. The navies of Israel, the United States, the UAE and Bahrain launched a joint exercise in November in the Red Sea, in response to their shared adversary Iran's presence and aggression in the waters of the Middle East. In late May, Israel and the UAE signed a free

trade agreement in Dubai which includes the removal or reduction of tariffs on 96 per cent of goods traded between the nations. The UAE estimated that the Comprehensive Economic Partnership Agreement would boost annual bilateral trade from \$1.2 billion in 2021 to more than \$10 billion within five years. Emirati trade minister Thani Al Zeyoudi wrote that the deal had written “a new chapter in the history of the Middle East,” adding that it would “accelerate growth, create jobs and lead to a new era of peace, stability, and prosperity across the region”. Israel’s Minister of Trade Orna Barbivai said the strengthening in trade, removal of barriers and promotion of new business opportunities and partnerships would form a “solid foundation” for the “joint path” shared by Israel and the UAE.

Expanding the Abraham Accords?

The Biden Administration has (belatedly) internalised the opportunities in expanding the Abraham Accords. On the Accord’s anniversary, Secretary of State Blinken pledged that the administration would “continue to build on the successful efforts of the last administration to keep normalisation marching forward” and to “widen the circle of peaceful diplomacy”.

Potential options for expanding the Accords would be Indonesia, the world’s most populous Muslim-majority state and / or Tunisia. Negotiations with Indonesia began during the final days of the Trump administration and Blinken also raised the possibility during a trip to Jakarta while in November, Israel’s national security adviser met with Indonesian Minister of Defence at a conference in Bahrain and exchanged business cards. In June, a report in the Arab-language international paper Rai Al-Youm claimed that Tunisian President Kais Saied sought to move close to Israel but “Algeria is blocking the country from falling into the normalization process”.

The jewel in the ‘normalisation crown’ for Israel is undoubtedly Saudi Arabia. Former Prime Minister Netanyahu secretly met with Saudi Crown Prince Mohammed bin Salman

(MBS) in Neom together with then-Secretary of State Mike Pompeo in November 2020. While MBS is thought to be more favourably disposed towards an agreement with Israel, King Salman still reportedly has strong reservations about moving the Kingdom’s covert ties with the Jewish state into the open. One consideration within the Kingdom is the absence of progress towards a two-state solution. Speaking at the recent World Economic Forum in Davos, Switzerland, Saudi Foreign Minister Prince Faisal bin Farhan al-Saud said that the Kingdom does not see “normalisation as the end result, but the end result of a path. We always envisioned that there will be full normalisation with Israel ... we won’t be able to reap those benefits unless we address the issue of Palestine.”

Another consideration is the possibility of warming relations with the Biden Administration (the Democratic Party has generally shunned MBS since the murder of Saudi journalist Khashoggi in Istanbul in October 2018.) Such an improvement of Israeli-Saudi relations is possible in the context of President Biden’s upcoming visit to both countries. In early June, Blinken praised the Kingdom as “a critical partner to us in dealing with extremism in the region, in dealing with the challenges posed by Iran, and also I hope in continuing the process of building relationships between Israel and its neighbours both near and further away through the continuation, the expansion of the Abraham Accords”. Saudi Arabia would also constitute a key component of the proposed regional security architecture, although it remains to be seen how public it would want its role to be.

Biden is expected to announce a deal in which Saudi Arabia agrees to allow Israeli flights over its territory (currently only flights between Tel Aviv and the UAE and Bahrain are allowed) and Israel will give its blessing to the transfer of the long-claimed Tiran and Sanafir islands from Egypt to Saudi Arabia (Israeli agreement for Saudi security control over the islands is required under the terms of the Israel-Egypt peace deal).

Israel believes normalisation is ultimately possible but not imminent. In late-May, Lapid emphasised the shared security interests between both countries, adding that any process would be ‘long and cautious’ and full of small details but that he believed it was possible. “We will not wake up one morning to a surprise” Lapid said, “rather it will be a long and cautious process on both sides”. Lapid added that many countries in the region were trying to advance this goal. “We are working on this with the Americans, with some of our friends in the Gulf countries, in many different echelons. Egypt is of course a significant player.”

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