



Volume 6, Number 18

September 27, 2012

Triangle of Tension: The United States, Israel and Iran

Uzi Rabi

Tensions between Washington, Jerusalem and Tehran have risen sharply in recent weeks. The steadily intensifying rhetorical war regarding Iran's nuclear program carries the potential for triggering an actual military confrontation. Israeli Prime Minister Binyamin Netanyahu believes that Israel can exert more influence on U.S. policy before the election than after, particularly if President Obama is re-elected on November 6th. Netanyahu argues that a nuclear-capable Iran is more dangerous to Israel in the long term than a conflict would be now. By contrast, the Obama administration is determined to avoid involvement in another foreign conflict, especially prior to the elections. Instead, Washington argues for more time to allow stricter sanctions against Iran to take effect, with Obama expressing his determination to block out the 'noise' emanating from Israel calling for military action now. Iran, on the other hand, remains defiant, continuing its enrichment and proliferation activities while it attempts to stall for time in diplomatic negotiations.

International sanctions and Iranian defiance

In March 2012, as a result of European Union and American pressure, the Society of World Interbank Financial Telecommunication (SWIFT) agreed to cease operations with Iranian businesses. This effectively shut down Iranian banks' ability to trade with banks outside Iran, making it increasingly difficult to use the Iranian rial in international markets.¹ In July 2012, the EU and U.S. instituted sanctions aimed at reducing consumption of Iranian oil worldwide, penalizing countries for importing Iranian oil. On July 31st, President Obama implemented additional measures designed to punish firms purchasing crude oil from Iran or trading U.S. bank notes or precious metals with Iranian firms.²

Iran has done its best to bypass the sanctions regime. For example, concurrent with the announcement of the July 2012 oil embargo Iranian President Mahmud

¹ "Payment System SWIFT to Expel Iranian Banks Saturday," *Reuters*, 15 March 2012.

² Margaret McQuaile "One Month In, Iranian Oil Sanctions Start to Bite," *Platts.com*, London <http://www.platts.com/newsfeature/2012/iran/index>

Ahmadinejad announced the inauguration of two oil refineries, declaring that oil sanctions were “ridiculous” because Iran is self-reliant when it comes to oil.³ However, this public defiance does not mean that sanctions do not work. Reports indicate that sanctions are causing significant damage to the Iranian economy, with the rial having lost 38% of its value since January 2012.⁴ New currency restrictions have also been introduced, preventing Iranians who travel abroad from trading their rials for dollars at the rial's artificially low official rate. Inflation, currently running at around 23.5%, has not been this high since the end of the Iran-Iraq War or the economic crisis of the early 1990s. The impact on food prices has been especially noticeable, resulting in protests that forced Supreme Leader `Ali Khamenei and other officials to publically address the issue. Oil exports are down 40-50%, meaning that Iran is losing approximately \$9 billion per quarter (projecting to \$36 billion annually).⁵

Despite this pressing situation, the Iranian leadership firmly rejects the abandonment of its pursuit of nuclear weapons capability, since too much prestige, national pride and resources have been invested to halt the program now. On top of this, Iran views nuclear capability as an important geopolitical asset that would strengthen its efforts to attain regional hegemony. When considering Iran's defiance of Western pressure, one should also keep in mind that the current generation of Iran's leadership is influenced by the experience of the Iran-Iraq war during the 1980s and the accompanying international hostility towards the Islamic Republic. During those difficult years, Iran was able to ride out its international isolation and push Iraq onto the defensive, even though the Iranian state at that time was much weaker than now. Iranians are also well aware that former Iraqi President Saddam Hussein survived sanctions for almost a decade. More generally, they perceive the U.S. to be much weaker than before the 2003 American invasion of Iraq. As Tehran has watched developments unfold in Syria and Libya, officials have said time and again that these states were vulnerable because they lacked a nuclear capability.⁶

The ‘shadow war’

Aside from the diplomatic and international economic arenas, tensions between Israel, Iran and the U.S. have manifested themselves through covert warfare as well. This “shadow war” has been played out across the globe. Since the May 2011 attempted assassination of the Israeli consul general in Istanbul, there have been a series of tit-for-tat attacks. Israel's Mossad has been accused of assassinating Iranian nuclear scientists, while Iran has been blamed for the bombing of an Israeli diplomatic car in New Delhi in February 2012.⁷ More recently, five Israeli tourists and a local bus driver were killed in an attack at an airport in the Bulgarian resort town of Burgas. Similar attempts have been made against Israeli targets in Tbilisi, Bangkok, Nairobi and Cyprus. In addition, in recent years, the US, Israel and Iran have all taken the conflict to the cyber sphere. According to Western media reports,

³ "Imposition of sanctions on oil-rich Iran is ridiculous: Ahmadinejad," *Tehran Times*, 31 July 2012.

⁴ Natasha Mozgovaya and Reuters, "Obama orders new sanctions on Iran energy, financial sectors," *Ha'aretz*, 31 July 2012.

⁵ On-the-Record Conference Call on Iran Sanctions, released by *The White House Office of the Press Secretary*, 31 July 2012.

⁶ "Iran Supreme Leader delivers Nowruz speech in Mashhad," *BBC Monitoring International*, 22 March 2011. <http://www.leader.ir/langs/fa/index.php?p=bayanat&id=7898>

⁷ Ron Kampeas, "After New Delhi attack, fears that Iran-Israel attacks could escalate," *JTA*, 13 February 2012.

Iranian hackers have repeatedly attacked Bank of America, JPMorgan Chase & Co and Citigroup over the past year as part of a broad cyber campaign targeting the U.S.⁸ Conversely, Iran accuses Israel and the U.S. of ordering attacks on the computer systems that run Iran's main nuclear enrichment facilities, for example by activating the 'Stuxnet' worm.⁹

Israel and the debate over a military strike

Until now, official Israeli spokespersons have emphasized, all attempts to halt Iran's nuclear program have failed,¹⁰ leaving Israel with three alternatives: hope for a breakthrough via international negotiations and sanctions; take military action to destroy or delay Iran's nuclear development process (ideally with, or by the US or a US-led international coalition); or accept a nuclear-armed Iran. Despite Western efforts to convince Israel that economic sanctions are the best way to deal with Iran, the Israeli media continues to be dominated by reports discussing a possible Israeli military strike.

Analysts generally agree that an Israeli military action against multiple Iranian nuclear facilities would be far more complex, operationally, than those carried out against Iraq's Tammuz-Osirak reactor in 1981 and Syria's clandestine nuclear project in Dir al-Zur in 2007.

Moreover, the mere suggestion of a military strike on Iran raises more questions than answers. First, what would be the objectives and scope of the attack? Eliminating Iran's nuclear program poses an immense challenge, due to Iran's ongoing efforts to harden, disperse and conceal nuclear sites. Second, even if an attack succeeds, what can be done to prevent an Iranian nuclear rebirth? Third is the question of retaliation. The argument has often been made that Iran is not Syria or Iraq, i.e., that it will respond forcefully. Iranian rhetoric designed to strengthen this conviction is widespread: in August, for example, the head of the Revolutionary Guard's air force said that a possible Israeli air strike would be "welcome" because it would give Iran a reason to retaliate and "get rid of" the Jewish state "forever."¹¹ Furthermore, several Revolutionary Guard Commanders, including General Mohammad `Ali Ja `fari, recently stated that war between Israel and Iran is inevitable and that any Iranian response will be directed at both Israeli and American targets.¹²

While concern over Iranian military retaliation is reasonable, Iran's bombastic rhetoric must also be viewed within the framework of the ongoing 'war of words' between Israel and Iran. It has become characteristic of the Iranian regime to release controversial statements right before important international happenings – in this case the UN General Assembly meeting in New York – in order to attract attention. At the same time, Ja `fari's words should be interpreted as being designed for domestic consumption as well. They were made in conjunction with a military

⁸ "Iran rejects media reports on hacking US banks", *Fars News Agency*, 23 September 2012

⁹ David E. Sanger, "Obama Order Sped Up Wave of Cyber Attacks Against Iran" *New York Times*, 1 June 2012

¹⁰ Jennifer Rubin, "Netanyahu: Sanctions Failed" *The Washington Post*, 30 July 2012

¹¹ "Top Iran official: If Israel attacks, it will bring about its own 'annihilation,'" *Ha'aretz*, 21 August 2012.

¹² "IRGC Commander: War on Iran Triggers World War III," *Fars News Agency*, 23 September 2012.

parade held in Tehran on September 19 that commemorated the anniversary of the Iraq-Iran war, during which Iran officially introduced its new air defense system as well as displaying long-range missiles and other military hardware. In doing so, the Iranian regime seems to be sending a message to its public that the suffering induced by eight years of war with Iraq will not be repeated because Iran is now much more powerful than it was in decades past.

However, Iranian declarations are not viewed this way in Israel, resulting in activities and public statements that could indicate preparation for war. One example is the Israel Defense Force's recent project of introducing text messages to be sent to all Israeli citizens in case of emergency, and its repeated calls on the public to obtain new gas masks. The IDF is also reportedly set to reactivate its long-range reconnaissance drone.¹³ All in all, these moves send the message that Israel is not only on the alert, but preparing to strike Iran. At the same time, these measures also serve as a mechanism to pressure Washington to maintain a hardline position vis-à-vis Tehran.

Until recently, Netanyahu has successfully raised international alarm about the Iranian nuclear program. But with his most recent public call for Obama to draw a "red line" before Tehran, he appears to have overplayed his hand. While Netanyahu is correct that such a red line would pose a credible threat, putting needed pressure on Iran,¹⁴ his attempt to get the U.S. to explicitly say at what point it would act angered the American administration and further damaged Netanyahu's relationship with Obama.

Conclusion: Towards November with no sure answers

According to findings of the International Atomic Energy Agency (IAEA), Iran has doubled the amount of uranium-enrichment centrifuges since May 2012¹⁵. At the same time, there have been signs that Tehran is becoming increasingly nervous, such as reportedly fortifying its air defenses and moving parts of the uranium enrichment program to underground sites to render them immune to an Israeli strike.¹⁶ Iran is also making an effort to expand its retaliatory options should its nuclear facilities be attacked.

At the moment, even those inside Iran do not seem to know for sure what Iran intends to do with its nuclear program or how far it wishes to develop it. For example, during the P5 +1¹⁷ negotiation rounds held the late spring and early summer of 2012, it seemed as if Iran would possibly agree to restrict its uranium enrichment to 3.5%. This would be a satisfying compromise for the U.S. but not for

¹³ Gili Cohen, "Amid talk of Iran strike, IDF set to reactivate long-range intelligence drone," *Ha'aretz*, 12 August 2012.

¹⁴ See, for example, the argument made by Emily Landau, "Set red lines, not deadlines, in facing Iran," *The Times of Israel*, 14 September 2012.

¹⁵ Herb Keinon, "IAEA: Iran has doubled underground nuclear capacity", *Jerusalem Post*, 30 August 2012

¹⁶ Yaakov Lappin, "Talk of military strike makes Tehran nervous," *Jerusalem Post*, 13 August 2012.

¹⁷ The P5 +1 refers to the group of countries that was formed in 2006 to work towards a diplomatic solution to the Iranian nuclear issue. It consists of the five permanent members of the UN Security Council (China, Russia, France, the United Kingdom, and the United States) and Germany.

Israel, because Israel fears that permitting any uranium enrichment would ultimately enable Iran to go forward with its nuclear weapons program.

In the American-Israeli-Iranian triangle, the effect of a message is always two-fold. For example, the comment by the Chairman of the Joint Chiefs of Staff, Gen. Martin E. Dempsey, that he does not "wish to be complicit in an Israeli strike"¹⁸ was a strong statement aimed at Israel, while being understood by Tehran that it is immune to American repercussions for the time being. On another level, remarks made by American, Israeli and Iranian officials must also be interpreted as being directed at their respective domestic constituents, and not just, or necessarily at their international counterparts. Indeed, mutual perceptions are especially prone to misunderstandings if one fails to discern the target audience of any given official statement. Further complicating this is the fact that in the Middle East, mutual perceptions are wrapped in historical experiences and rivalries.

Hence, there is no way to accurately calculate possible future actions or responses to those actions. As Middle East regional and internal dynamics continue to be especially tumultuous, each move taken by one of the respective members of the American-Israeli-Iranian triangle is likely to have wider regional implications and carry any number of unintended consequences.

Uzi Rabi is the Director of the Moshe Dayan Center for Middle Eastern and African Studies and a Senior Research Fellow at the Alliance Center for Iranian Studies. He is also the Chair of the Department of History in Middle Eastern and African Studies at Tel Aviv University.

This edition of Tel Aviv Notes was published with the cooperation of the Alliance Center for Iranian Studies at Tel Aviv University.

The Moshe Dayan Center publishes TEL AVIV NOTES, an analytical update on current affairs in the Middle East, on the 10th and 26th of every month, as well as occasional Special Editions.

TEL AVIV NOTES is published with the support of the V. Sorell Foundation.

To republish an article in its entirety or as a derivative work, you must attribute it to the author and the Moshe Dayan Center at Tel Aviv University, and include a reference and hyperlink to the original article on the Moshe Dayan Center's website <http://www.dayan.tau.ac.il>.

Previous editions of TEL AVIV NOTES can be accessed at www.dayan.org, under "Commentary."

You are subscribed to the Moshe Dayan Center Electronic Mailing List. Should you wish to unsubscribe, please send an email to listserv@listserv.tau.ac.il, with the message "unsubscribe dayan-center."

¹⁸ Natasha Mozgovaya, "Report: U.S. General Dempsey says he does not want to be 'complicit' in Israeli attack on Iran", *Ha'aretz*, 30 August, 2012