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## ISRAEL, EGYPT, AND NUCLEAR POLICY

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**The Nuclear Non-Proliferation Treaty / Signing the Treaty Would End Israel's Deterrent / The Growing Non-Conventional Military Threat / Egypt's Campaign and the Link to the Peace Process / Alternative Nuclear Limitation Agreements / The Continuing Threat of Conventional Weapons / Positive Developments from the Crisis**

### **The Nuclear Non-Proliferation Treaty**

For the past year, Egypt and Israel have been locked in a conflict over Israeli nuclear policy and the role of the Nuclear Non-Proliferation Treaty (NPT) in the Middle East. Israel is one of a small number of nations that has rejected the NPT, arguing that it is ineffective in the Middle East and inapplicable to Israeli security requirements. Egypt has demanded that Israel sign the NPT, thereby giving up its policy of "nuclear ambiguity." The conflict reached its climax during the NPT Extension Conference that met during April and May at the United Nations in New York.

The NPT, which went into effect in 1970, was the result of a joint U.S.-Soviet agreement to try to freeze the process by which more and more countries were gaining nuclear weapons. The treaty included a provision for a conference after 25 years to "decide whether the Treaty shall continue in force indefinitely or shall be extended for an additional fixed period or periods."

For 25 years, Israel has refused to sign this

agreement. However, in the buildup before the 1995 Extension Conference, the Rabin government came under intense pressure to change its policy. Egypt led this campaign, and the Mubarak government attempted to gain the support of many Arab, Islamic, and non-aligned states. This policy, in turn, affected the relations of both Egypt and Israel with the United States, and also became the source of increasing friction in bilateral relations between Cairo and Jerusalem. The Israeli government was pressed to search for a way to maintain its nuclear deterrent option while avoiding damaging its relations with the U.S. and Egypt, as well as minimizing damage to the peace process. The interaction on this issue had and will continue to have a significant impact on the regional balance of power, Israeli security, the peace process, and the global non-proliferation regime.

### **Signing the Treaty Would End Israel's Deterrent**

From the days of Ben-Gurion, the Israeli leadership has sought to minimize the political

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costs of its nuclear program by maintaining a policy of "deliberate ambiguity." In this way, Israel has avoided conflicts, particularly with the U.S., while gaining the benefits of an acknowledged nuclear deterrent. Some 180 states have signed the NPT, including all other major Middle Eastern powers. Israel, India, and Pakistan remain the last three "NPT holdouts."

If Israel were to sign the NPT, this would end its previous policy of ambiguity and would require Israel to declare its nuclear facilities and open them to inspection and safeguards operated by the International Atomic Energy Agency (IAEA). In addition to ending any current and future production and development of nuclear weapons, the inspectors could determine previous activities so that the full extent of Israel's arsenal would be known to all. Under the NPT, Israel would also have to dismantle any existing nuclear weapons and components, as South Africa did when it joined the NPT. At the end of this process, Israel would indeed be a non-nuclear weapons state.

#### **The Growing Non-Conventional Military Threat**

This option is very unrealistic for any conceivable Israeli government. As in the past, Israel continues to view its undeclared nuclear option as the best response to the "structural asymmetries" in the region, particularly the difficulties faced by a very small state surrounded by many states with large populations and armies. This option is seen as the most effective deterrent to the "existential threats" of conventional attacks involving a coalition of Arab states, or the use of non-conventional weapons being acquired by countries from Algeria to Iran. The Israeli nuclear deterrent was a major factor in limiting the extent of the Egyptian offensive in the 1973 War, and in preventing Iraq from using chemical weapons during the 1991 Gulf War. Indeed, at the time, U.S. Secretary of Defense Cheney warned Saddam Hussein that a chemical attack against Israel could lead to an Israeli nuclear response.

The non-conventional military threat to Israel is increasing and includes long-range missile and chemical weapons capabilities in Egypt, Syria, Libya, Iraq, and Iran. The growing Iranian nuclear program is a major source of concern. In response to a number of questions on this issue, Deputy Minister of Defense Mordechai Gur told the Israeli Knesset earlier this year that if any Islamic state used non-conventional weapons against Israel, "no one would escape the consequences." Similarly, IDF Planning Branch head General Uzi Dayan cited Israeli concern regarding the Iranian

nuclear program and the need to prepare "appropriate responses." The growing Iranian nuclear threat has also been at the center of discussions between Israeli leaders and U.S. Secretary of Defense William Perry.

The perceived importance of nuclear deterrence is widely shared, and is one of the few areas in which a true consensus still exists in Israel. Polls show that Israel's current policy continues to receive support from over 80 percent of the population. The opposition is very limited, even on the Israeli left, and many of the most dovish MKs agree that under current conditions, the NPT is not a viable option for Israel. Even Foreign Minister Shimon Peres, the highest-ranking dove in the government, has not changed his position. As former Director General of the Defense Ministry, Peres was a major figure in the creation of Israel's nuclear deterrent capability, helping to set up the Dimona nuclear installation with French support.

Beyond the specific issue of nuclear deterrence, Israeli policy-makers also view the NPT system as weak and unreliable in the Middle East. Iraq is an NPT signatory, but the treaty has provided a cover of legitimacy for Iraq's "peaceful" nuclear program and even provided assistance to this effort. There is significant evidence that Teheran is following a similar course, even though Iran is a long-time NPT signatory. In general, small, democratic, and open states such as Israel face much greater difficulties in hiding illicit programs in comparison with the large and tightly closed societies in the Middle East. Thus, from the Israeli perspective, there are a number of fundamental deficiencies in the NPT.

Despite the limitations of the NPT and the importance of maintaining the nuclear deterrent option, the Israeli government also has strategic and political interests in the indefinite extension of this international agreement, and in containing the conflict with Egypt. Beyond the treaty's failures in the cases of Iraq and Iran, the international nuclear non-proliferation regime has contributed to preventing the spread of nuclear weapons to Egypt, Syria, Libya, and other countries in the Middle East, and has delayed Iraq's efforts to acquire nuclear weapons. There is still some hope these norms will provide the basis for stronger action against Iran in order to prevent that radical regime from becoming a nuclear power. In a broader sense, the NPT is also an important element in international order and stability. A world of many nuclear powers would be highly unstable for all concerned.

### **Egypt's Campaign and the Link to the Peace Process**

While the Israeli government's position on the issue has remained firm, for the past year and a half, Egypt has been leading a major campaign to pressure Jerusalem to change its policy and sign the NPT, or to at least take some major and binding steps in this direction. Egypt also attempted to gain the backing of many Arab, Islamic, and non-aligned states in its effort to link support for an indefinite or long-term extension of the NPT with a change in Israeli policy. If this effort had succeeded, it would have severely weakened or even destroyed the international non-proliferation regime.

The Mubarak government also placed this conflict at the center of its relations with Israel. In meetings of the UN General Assembly and the International Atomic Energy Agency, Egyptian representatives have presented resolutions that call on Israel to abandon its nuclear program. In his first official visit to Israel at the end of August 1994, Egyptian Foreign Minister Amr Mousa focused exclusively on this issue. At every meeting and public appearance, Mousa demanded that Israel reverse its nuclear policy immediately, and charged that Israel's policy was a major obstacle to regional peace. Israeli President Ezer Weizman was greeted with a similar message during his official visit to Egypt earlier this year. From the Israeli perspective, this campaign was an attempt to renew the diplomatic isolation that was characteristic of the past twenty years.

The Egyptian policy also blocked progress in the Working Group on Arms Control and Regional Security (ACRS) as part of the multilateral negotiations which include Israel, the U.S., and a number of Arab states including Algeria, Morocco, Tunisia, Saudi Arabia, Egypt, and Jordan. Egyptian representatives have refused to participate in other joint regional activities until there is progress on the nuclear issue. A statement of principles and goals that had been accepted by all the other participants was vetoed by Egypt (which insisted on adding a specific reference to the NPT) at the most recent ACRS meeting in Tunisia. Indeed, the conflict over this issue demonstrates the degree to which fundamental strategic and political differences between Israel and Egypt remain unresolved, 18 years after Sadat's visit to Jerusalem and the beginning of the bilateral peace process.

Egypt's policies have also led to a major rift between Cairo and Washington. U.S. policy-makers in the Clinton administration had made indefinite extension of the NPT one of their major foreign policy targets. Although initially sympathetic to Egyptian claims, these U.S. officials have changed their stance over the last

year after extensive discussions of the matter with Israeli leaders. Most understand the Israeli position that this is not the time to pressure Israel on this crucial issue. The U.S. also recognizes that the Egyptian campaign and efforts to gain the support of other states is a source of conflict in a very sensitive area and endangers the broader negotiation process. Therefore, in late 1994 and early 1995, a number of American officials, including Secretary of Defense William Perry, Assistant Secretary of State Robert Pelletreau, and Ambassador Thomas Graham (head of the US delegation to the 1995 NPT conference), visited Cairo in an effort to change their policy.

During his visit to Washington just before the opening of the NPT Extension Conference, President Mubarak pledged not to disrupt the conference by leading an anti-Israeli campaign. However, in a last-minute effort on the last day of the conference, the Arab states led by Egypt introduced a proposal singling out Israel for criticism and threatening the consensus that had been reached on extending the NPT indefinitely. This gambit failed and the treaty was extended indefinitely without specific mention of Israel. Instead, the final document supports the Israeli position, calling for the negotiation of a regional extension framework for arms control, including nuclear weapons.

The purpose and goal of the Egyptian campaign, and its willingness to engage in political conflict with the U.S. and to disrupt the peace process, are the subjects of intense analysis in Israel. Egypt's political and military leaders have been aware of Israel's nuclear program for decades, but this issue has not been a major source of conflict in the past. Although Sadat raised it in 1978 during the Camp David negotiations on the peace treaty, Begin refused to discuss the issue and it was dropped.

The Egyptians might have expected that there would be other opportunities and that, in time, Israel would indeed be forced to change its policy. Now, however, the 1995 NPT Extension Conference may have been seen as the last opportunity to accomplish this objective. Since, according to Article X of the NPT, all signatories are bound by the decision of the majority at the 1995 conference, and the majority approved indefinite extension, Egypt must now choose between conforming, regardless of Israel's policy, or risk pariah status and a statutory cut-off in U.S. aid by renouncing the treaty.

Egypt's leaders are also using the conflicts with Israel and the U.S. over Israel's nuclear capability for domestic and pan-Arab purposes. With progress in the peace process, the Israel-Jordan peace treaty, and

Israel's growing diplomatic contacts with a number of North African and Persian Gulf states, Egypt may fear an erosion of its primacy in the negotiating process. There are other indications, most notably seen at the January 1995 Alexandria summit, attended by the leaders of Syria and Saudi Arabia, that the Mubarak government is seeking to slow the peace process and reassert its claim to leadership of the Arab world. Cairo has also been pressing for an end to the MFO Observer Force in the Sinai, has blocked agreements on economic cooperation resulting from last year's Casablanca Conference, and has actively sought to delay diplomatic links between Israel and other Arab states.

These activities suggest a broader Egyptian calculation that, in the face of competition from Israel as well as many Arab states, Egypt may find itself marginalized. In a Middle East dominated by economic development and trade, Egypt's poverty and its failure to create a modern economy could prevent its participation in regional growth. This fear may underlie the repeated Egyptian attempts to block Israel's technological efforts in space, electronics, and other areas.

#### **Alternative Nuclear Limitation Agreements**

While generally accepting the Israeli position on the NPT, the U.S. government did ask Israel to make a "gesture" in order to resolve the conflict with Egypt. In the past, Israel refused to consider any such gestures, and public discussion of these issues was heavily censored. This policy was based on the fear that any movement or publicity would be the beginning of a "slippery slope" that would eventually lead to the dismantling of Israel's nuclear deterrent. Now, as a result of the external pressure and greater confidence in its ability to preserve its nuclear deterrent, this policy has begun to change.

Throughout his political career, Yitzhak Rabin has stressed the importance of maintaining good relations with Washington, and this continues to be an overriding consideration in Israel. In response to American pressure, and in a sharp break with the past, arms control divisions have been created in the Ministry of Defense and Foreign Ministry, and Israeli delegations have been active in the UN Conference on Disarmament at Geneva and the IAEA.

In addition, Foreign Minister Peres and other Israeli officials have made a number of statements supporting the establishment of a regional Nuclear Weapons Free Zone (NWFZ). From the Israeli perspective, the

NWFZ is to be negotiated in the regional context following implementation of a comprehensive regional peace. In addition, Israel has invited Egyptian scientists to visit its nuclear research facility at Nahal Sorek, has agreed to discuss verification techniques, and is active in negotiations on a Comprehensive Test Ban Treaty.

In practice, however, the NWFZ is dependent on Iranian, Iraqi and Syrian involvement, and intensive mutual inspection. Both conditions will require radical and unforeseeable changes in the region. At the same time, the other options will not affect Israel's nuclear status.

Some analysts have suggested that Israel endorse a proposed fissile material production cut-off, raised initially by President Bush, and under discussion at the Conference on Disarmament in Geneva. According to this view, the undeclared nuclear states — India, Pakistan, and Israel — would be allowed to maintain existing capabilities and stocks of weapons-grade fissile materials. In contrast to the NPT, which would require Israel to give up its nuclear deterrent, a cut-off would leave this capability intact for many years or decades.

There are a number of serious problems with this proposal, which is still quite vague, and which leaves basic questions regarding the scope and status of existing stockpiles unresolved. A number of states including Egypt, Algeria, Iran, and Pakistan have demanded that the proposed cut-off include provisions for declaration and verification of existing stockpiles. This broad definition is opposed by the U.S. and the other major nuclear powers. However, the inspection of existing nuclear facilities under a limited cut-off agreement, as favored by the U.S., would still reveal the history of previous activity and the exact nature of Israel's nuclear capability.

Even a limited agreement that did not specifically include information on existing stockpiles would mean the end of Israel's policy of nuclear ambiguity. The exact nature of its nuclear capability would then be known, and international pressure would build for the elimination of this stockpile. (Indeed, this is the apparent strategy behind the cut-off proposal.) Finally, even if Israel were to accept these radical changes, there is basis for concluding that a fissile material cut-off agreement would be no more successful than the NPT in preventing Iran, Iraq, and other states in the region from pursuing nuclear weapons. In other words, a fissile material production cut-off does not provide Israel with an acceptable alternative to the NPT.

### **The Continuing Threat of Conventional Weapons**

Alternatively, it is possible to link a change in Israel's nuclear posture to a regional agreement limiting conventional weapons (in addition to extension of effective nuclear limits to include Iran, Iraq, Libya, and Algeria). While pressing for Israeli adherence to the NPT, Egypt has been increasing its conventional capabilities. Technological improvements include the addition to its arsenal of a large number of F-16 combat aircraft and the licensed production of American M-1 A-1 battle tanks. In other areas, such as electronics and avionics, the Egyptian military has also made significant progress. Since Egypt has no significant military foes and maintains two-thirds of its large army in the eastern part of the country near the demilitarized Sinai peninsula, the continued growth in sophisticated Egyptian weaponry is a source of concern for Israel. With the increasing instability in Egypt, the possibility exists that the current government could be replaced by a radical regime with an interest in resuming open conflict.

Syria has also continued to increase its conventional military capability. (It should be noted that both Syria and Egypt maintain sizable chemical warfare stockpiles as well.) Syria has spent approximately \$2 billion since 1991 to purchase hundreds of T-72 and T-80 tanks, as well as advanced Russian aircraft and other weapons.

Thus, Israeli security interests would be served by an agreement to reduce conventional forces in the region, in the context of other arms control agreements that would also encompass chemical and nuclear weapons. If there is a change in Israeli policy with regard to the nuclear deterrent, it is likely to include demands for Arab acceptance of substantial reductions in conventional weapons stockpiles. However, such comprehensive agreements, encompassing all states from Iran to Algeria, seem implausible at this time from both the Israeli and Arab perspectives.

### **Positive Developments from the Crisis**

Ironically, the Egyptian campaign had the effect of strengthening Israeli nuclear policy. In the wake of pressure from Cairo, Israeli officials were forced to speak more openly and candidly about the need for maintaining the current policy. The public debate with the Egyptians highlighted the Israeli capability, making it far more visible that it was a few years ago. In this way, Egyptian Foreign Minister Amr Moussa played a role similar to that of Mordechai Vanunu by reminding the Arab and Islamic world of the damage that would result from a threat to Israel's survival.

The public discussion also provided Israel with the opportunity to explain the logic of its nuclear policy to other countries, particularly the United States. The U.S. government acknowledged that the NPT is not the appropriate response for Israel "in the existing threat environment." Instead, they accepted the Israeli position that regional forums such as the multilateral talks on arms control and regional security provided the appropriate basis for discussing arms control. Even most Europeans, including the Scandinavians, as well as the strongly anti-nuclear Japanese, while not actually endorsing the Israeli position, were at least persuaded not to oppose it.

The international debate and the need to respond to Egypt's questions and demands also prompted the first serious public discussion of nuclear policy in Israel. Issues that were formerly taboo were discussed openly (if not always intelligently) on talk shows and newspaper columns. Contrary to Egyptian expectations, this debate did not lead to the growth of an anti-nuclear movement in Israel. The open and uncensored internal discussion, in itself, also served to reinforce confidence in Israeli deterrent policy. The Israeli government, the Ministries of Defense and Foreign Affairs, and the IDF have seen that they are able to successfully explain and defend what had been viewed in the past as a problematic and difficult issue, and were able to achieve a diplomatic success without changing Israel's position or making concessions.

At the same time, in pursuing a single minded and high-pressure campaign, Egypt overplayed its hand and damaged its relations with Washington. In the wake of the Egyptian attempt to weaken the NPT, Republican congressional leaders have declared they will re-examine American aid to Egypt, and cuts may be made "to send a message to Cairo."

Despite the final positive outcome of the NPT Extension Conference, the issue of nuclear proliferation will continue to be the subject of conflict, unless the Iranian and Iraqi nuclear programs succeed and the NPT loses any significance in the Middle East. It is not likely to be resolved as long as the Middle East remains militarily unstable and nuclear deterrence continues to be a necessary component of Israeli strategy.

Resolution of the dilemmas inherent in Israel's ambiguous nuclear policy will continue to be extremely difficult. The various gestures that have been proposed are unlikely to satisfy Egypt or other Arab states, while the proposed fissile material production cut-off could effectively dissolve the Israeli deterrent. By shifting

the focus of the debate to Arab conventional forces, Israel can divert the pressure for a period of time, but this is likely to produce proposals for a comprehensive limitation agreement encompassing both conventional and non-conventional weapons. In the absence of a change in the threats posed by the Arab and Islamic states and an end to the problem of structural asymmetry, the Israeli nuclear program will be maintained and will continue to be source of conflict. Given the alternatives, the policy of nuclear ambiguity is still Israel's best and only realistic option.

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