IRANIAN-ISRAELI RELATIONS: FROM COVERT RELATIONS TO OPEN HOSTILITY

A Thesis
Submitted to the Faculty of
The School of Continuing Studies
and of
The Graduate School of Arts and Sciences
in partial fulfillment of the requirements for the degree of
Master of Arts
in Liberal Studies

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Washington, D.C.
July 13, 2010
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ABSTRACT

Iranian-Israeli are often portrayed as being solely based on conflict. However, since the creation of the Jewish state, the relations between the countries have included various different stages, including covert relations. The fact is, for nearly thirty years, from 1948 until 1978, Iran and Israel cooperated in certain areas such as trade and intelligence. Some level of covert relations continued even after the creation of the Islamic Republic in 1979, despite the new regime and its founder Ayatollah Khomeini's anti-Israeli views. However, by the mid-1980s, relations had seriously deteriorated.

This paper explores why the cooperation ended after the mid-1980s after the Islamic Republic had already been in place for a number of years and will attempt to answer this question regarding the motivations on both sides. The history of Iranian-Israeli relations from 1948 and the domestic, regional, and international changes that occurred between both countries will be examined.

The first era, from 1948 until 1978, the Shah and the new Israeli government, who both had a pro-Western orientation, came together under the Periphery Doctrine against the threats from their Arab neighbors and the Soviet Union. After the Revolution, the Islamic Republic used anti-Israeli rhetoric as a way to show its pro-Islamic, anti-imperialist credentials and spread its ideology among the Arabs populations. However,
the continued threat from the Soviet Union, the Iran-Iraq War, and the regional isolation of the new Iranian regime led it to buy weapons from the Israelis. On the Israeli side, during the 1980s there was still hope that the Islamic Republic regime would not last and that the countries could return to their previous agreements. In addition, Israel did not want Iraq to gain additional regional power by winning the Iran-Iraq War. However, after the collapse of the Soviet Union, the alliance with Egypt in the Camp David Accords, and the weakening of Iraq in the first Gulf War, the Israeli’s reasons to continue working with Iran lessened. In the absence of these other regional threats, Iran became the larger threat, and Israel moved towards the Arabs. The relations since then have been one of hostility as both countries attempt to gain regional power.

This paper will show that despite vocal ideological opposition to Israel, the Iranian foreign policy is not driven by ideology alone, but rather by a combination of ideology and regional and international factors. On the Israeli side, a number of regional changes caused Israel to move towards the Arabs and away from the Iranians in the late 1980s. In their desire to maintain their power in the region, Israel decided to make Iran the common enemy between itself, the United States, and the Arabs.
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CHAPTER 1

INTRODUCTION

Iranian-Israeli relations have been at the forefront of current events since 2005 for a number of reasons, most notably because of the comments on the Holocaust by President Ahmedinejad and Iran’s nuclear program. Iranian-Israeli relations are often portrayed as being solely based on conflict. In reality, however, the interaction between the two countries over the past sixty years has been much more complex, with instances of cooperation, albeit covert.

The fact is, for nearly thirty years, from 1948 until 1978, Iran and Israel cooperated in certain areas such as trade and intelligence. Some level of covert relations continued even after the creation of the Islamic Republic in 1979, despite the new regime and its founder Ayatollah Khomeini’s anti-Israeli views. However, by the mid-1980s, relations had seriously deteriorated and by the late 1980s, a trend which continued and worsened after the Persian Gulf War of 1991 and the collapse of the Soviet Union.

The causes of the shift from cooperation to hostility on Iran’s part have been a result of the dual motivations behind the foreign policy of the Islamic Republic: revolutionary ideology and the regional political situation in Middle East. On the one hand, a major part of Iran’s revolutionary ideology has included vocal opposition to Israel and support for the Palestinians. On the other hand, the two countries occasionally collaborated with each other when doing so increased their respective power in the region
or served other self-motivated interests. For example, even after the creation of the Islamic Republic, cooperation continued in the 1980s during the Iran-Iraq War.

Why, then, did the cooperation end after the mid-1980s? Why did the hostility begin after the Islamic Republic had already been established for almost a decade? This paper will attempt to answer this question through the lenses of two dominant theories in foreign policy: neo-realist and neo-liberal theories. The history of Iranian-Israeli relations from 1948 and the domestic, regional, and international changes that occurred between both countries will be examined. This paper will show that despite vocal ideological opposition to Israel, the Iranian foreign policy is not driven solely by ideology, but rather by a combination of ideology and regional and international factors. On the Israeli side, a number of regional changes caused Israel to move towards the Arabs and away from the Iranians in the late 1980s. In this context, Israel decided to make Iran the common enemy between itself and the Arabs.

**Theoretical Framework**

In order to help answer these questions, this paper will use realist and neo-liberal political theories to study instances in Iranian-Israeli relations. Realist and liberal political theories have been the longest lasting, most dominant theories among numerous theories in the field of International Relations. The two theories chosen for this study, realist, and neo-liberal theories, will provide the methodology by which the cases from Iranian-Israeli relations will be analyzed.

**Realist Theory**

Realist theory is known by a variety of names, including political realism,
Realpolitik, and power politics. Although definitions of realism vary, the basics generally remain the same in that realism is based on the view that individuals are primarily driven by their own agendas. This extends to states, and realism is based on the idea that politics is governed by egoism and anarchy, which require states to act based on obtaining power and security for themselves. According to this theory, because countries always act for their own benefit, there can be no effective international system, and thus anarchy prevails. In this anarchical system, states constantly attempt to maintain their security by using balance of power and deterrence.

In terms of realist theory, this study will use classical realism, which was put forward by Hans J. Morgenthau his book Politics Among Nations: The Struggle for Power and Peace (1948). In this text, Morgenthau presents his six principles of political realism, which summarize his approach to international politics. The first principle is that politics, as well as society in general, is governed by objective laws that have their roots in human nature. This means that there is a way to rationally predict political behavior as well as distinguish between facts and opinion in terms of politics. The second principle is the concept of interest defined in terms of power. The idea of interest defined in terms of power means that although leaders may present their policies in terms of their ideology, ultimately the rational actions will win over the desirable ones. This

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does not mean that ideals are not important, but that the relative power of the state will determine the actions of the statesman rather than their ideology. The third principle is this interest in terms of power is not constant, and changes over time. The concept of interest defined in terms of power will differ through time, place and context. Political actions are also a product of the political and cultural environment in which they are formed. The fourth principle is that universal moral principles are not what guides political actions, as states are not moral agents. However, there is moral significance to political actions, and these actions will have moral and ethical implications. The universal moral principles are filtered based on the context, time and place. Morgenthau says that: “Realism, then, considers prudence—the weighing of the consequences of alternative political actions—to be the supreme virtue in politics.” Therefore, there is a tension between morals and national interest. The fifth principle is that there are no universal morals, and realism rejects the idea that a particular nation’s morals can serve as the universal morals. Finally, the political sphere is separate or autonomous from all other areas of human concern, including legal, moral, or economic spheres.

Neo-realism, which was put forward by Kenneth N. Waltz in his book *Theory of International Politics* (1979), takes a different approach. Waltz’s main difference from classical realism is the fact that power is not an end unto itself; the survival of the state is the end, and power is simply a means to that end. According to this theory, the

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2 Scott Burchill et al, *Theories of International Relations*, 75.

relationships between political structures are of importance. Specifically, the way that political functions are structured, and how power is spread out are of importance. In domestic and international politics, this means hierarchy in terms of domestic politics, and anarchy in terms of international politics.\(^4\) The international order, which is anarchic, is dependent upon the number of superpowers within the international order. These powers ultimately are either siding against each other or duplicating each other according to their own self interest. Weaker powers must oppose or side with great powers in order to survive. However, this is always a risk since the greater power could potentially betray the weaker country.

This idea leads to the next aspect of the structuralist (neo-realist) theory, which differentiates between ‘bandwagoners’ and ‘balancers’.\(^5\) Weaker states are faced with the risk of allying with greater powers and hoping that they are treated well. However, great powers can do both simultaneously by internally devoting resources to national security and externally making formal alliances and agreements with other nations. Nonetheless, in an atmosphere of insecurity, states are always trying to gain more self-sufficiency if possible.

The concept of anarchy contributes to escalation since there is no particular body to regulate the individual countries’ fears. They are locked in a cycle of mutual competition that, according to realist theory, could escalate higher and higher. These


\(^5\) Burchill, *Theories of International Relations*, 37.
actions towards escalation could be necessary or unnecessary defenses. There is no way to verify in the current state of international anarchy since there is no effective regulating body.

*Idealist/Liberal Theory*

Unlike realist theory, liberal theory is much newer and finds its origins in the Enlightenment, 19th C political and economic liberalism, and Wilsonian idealism from the early 20th C. Liberalism asserts that human nature is rational and inherently good and that this inherent goodness makes progress possible in society. According to liberalism, the outbreak of war and other such behavior is the result of corrupt social institutions and misunderstanding between leaders. Therefore, war and other harmful behavior can be minimized through the reform of institutions and collective action by the various states. Mutual cooperation on an international level is the most rational option to avoid the terrible consequences of conflict.

Since the 1970s, liberalist ideas have been revived under neo-liberalism. In terms of cooperation, neo-liberal institutionalism differs from classical liberalism because it does not agree that simply having the international forums for cooperation are enough, nor does it believe that actions are based on inherent goodness. Rather, it is the fact that countries/actors must interact on a repeated basis that encourages cooperation. With increased globalization – global trade, financial relationships, technology, arms agreements, among other cultural exchanges – states have become more interdependent

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and need to cooperate more closely.

In neo-liberalism, security is essential; the institutions, such as the United Nations (UN), that encourage cooperation also make security possible. After the Cold War, these arguments have gained more weight among democracies because they explain why democracies do not fight each other. On the negative side, this also creates more conflicts of interests for states.

Therefore, while realist theory is more concerned with interest in terms of power for its own country and working based on its own national interests, neo-liberalism puts more faith in the international institutions and the need for cooperation.
CHAPTER 2

BACKGROUND OF IRANIAN-ISRAELI RELATIONS

Background of Iranian-Jewish Relations

Iranian-Israeli relations only date back to 1948, when the Jewish state was created, however, the history of Iranian-Jewish relations dates to the time of the pre-Islamic Persian Empire in the 6th century B.C. Until the modern era, the relationship between the two groups has generally been benign. The Persian Empire is mentioned quite often in Biblical texts, including in the books of Isaiah and Ezra, where Cyrus the Achmenid conquered Babylonia and freed all slaves in the nations under its rule, including the Jews. Cyrus also allowed the Jews to move back to their homeland and helped them to rebuild their temple in Jerusalem.

The Jews enjoyed freedom under the Persian Empire and many chose to immigrate to Iran until the arrival of the Muslim Arab conquerors of Iran in 642 A.D and the fall of the Sassanid Empire. Under Islam, the Jews, like other people of the book, such as Christians and Zoroastrians, they were free to practice their faith. They were also exempt from serving in the armed forces, paying the Zakat tax, and other such Islamic regulations. However, they had to pay a special tax for non-Muslims called the jizya. In

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the following centuries, although they were not treated as equal to Muslims, the Jews lived peacefully in Iran. Many Jews held important positions within the Shah’s court and were prominent members of society. This tradition was continued under many of the Persian monarchies up until the Islamic Revolution. One exception was during the Safavid Dynasty, which adopted Shi’a Islam as the official religion in 1502.\(^4\) During this era, there was greater tension between Shi’as and other religions in the empire, including Jews, Sunnis and Christians. Despite this period of tension, later monarchs did include Jews and other religious minorities in their royal courts and governments.

Throughout all of these dynasties, there were large communities of Jews in many of the major cities of Iran, including Shiraz, Tehran, and Isfahan. Today, there are still 25,000 Jews in Iran and over 200,000 Iranian Jews in Israel, as well as about 70,000 in the United States, mainly in Great Neck, New York and Los Angeles, California.\(^5\) These communities often travel back and forth between the two countries through Turkey, with tacit approval from the Iranian government. Also, phone and internet lines between the two countries have always been open, allowing Iranian Jews on both sides to keep in touch with their families.\(^6\)

\textit{The Creation of Israel}

The British formalized their control of the Palestinian Mandate after WWI, and in an arrangement under the League of Nations, they served as the administrators of the

\(^4\) Soureratif, \textit{Khomeini and Israel}, 10.


\(^6\) Ibid., 9.
region until May 1948. Earlier, in anticipation of gaining control of the region, the
British gave support to a Jewish homeland in Palestine in the Balfour Declaration of
1917. However, this same declaration promised non-Jews in the region that their
religious and civil rights would be honored.

During the British control of the mandate, many Jews from Europe moved to the
region, influenced by the Zionist movement that had begun in the previous century. This
movement encouraged Jews to move to Palestine, with the eventual goal of creating a
Jewish state there. The Jews and the existing Arab population began to clash, and the
British quashed both Arab and Jewish rebellions during the time of the mandate. After
WWII, the British Empire was disintegrating due to Britain’s economic struggles. As a
result of their internal problems, as well as the struggle to manage the Palestinian
Mandate, Britain asked that the situation be handled by the United Nations (UN).

The same British colonial mandate of Palestine was set to end in May 1948 and
the UN needed to make a decision regarding the previous promises given to both Jews
and Arabs. Throughout 1947, the UN Special Commission on Palestine (UNSCOP)
examined the issue and eventually recommended the partitioning of the Palestinian
Mandate into an Arab and a Jewish state.

Iran began to form its policy towards Israel before the creation of the Jewish state.
Iran was chosen to be one of the eleven countries on the UNSCOP, and together with
India and Yugoslavia, voted against Palestine’s partition into separate Jewish and Arab
states.\textsuperscript{7} When the UNSCOP recommendation went to the General Assembly, Iran again voted with the minority against Resolution 181, which supported a federation of two states within Palestine, one Jewish and one Arab. Iran was against the November 1947 Palestine Partition Plan which led to the creation of Israel and was also against Israel entering the UN after it became a state.

On November 29, 1947, The UN adopted Resolution 181, which divided the British Palestinian Mandate into Jewish and Arab states when the mandate ended. Fighting broke out between Jews and Arabs in Palestine immediately after Resolution 181 was passed. Following Jewish victory, on May 14, 1948, David Ben-Gurion, who was then the head of the Jewish Agency, proclaimed the establishment of the State of Israel. When Ben-Gurion declared the state of Israel in May 1948, the Shah did not recognize the new nation. In fact, Israel was never given \textit{de jure} recognition by Iran, although the Iranian cabinet granted Israel \textit{de facto} recognition two years later in 1950.

\textit{Iran and the New Israeli State}

\textit{Domestic Opposition to Recognizing Israel}

Various domestic, regional, and international factors influenced Iran's decision to grant Israel only partial recognition. Domestically, the Islamic sentiments and the opposition of the clerical establishment played the most important role in the Shah's decision to give Israel only partial recognition. The \textit{de facto} recognition of Israel was disliked by many internal groups and the controversy over the issue was split three ways.

\textsuperscript{7} Parsi, \textit{Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 19-20.
between Dr. Mohammad Mossadegh and the coalition of parties he headed under the National Front, the clergy led by Ayatollah Kashani, and the Shah’s group. The Shah had to deal with a majority Muslim population which was more sympathetic towards the Arabs, as fellow Muslims. In his book *The Pragmatic Entente*, Sohrab Sobhani discusses how the Israeli issue was viewed in Iran from 1948 – 1953. According to him, the issue was split along domestic political lines, and the people who leaned more towards pre-Islamic cultural values and national characteristics tended to be more pro-Israel while the people against Israel were more pro-Islamic.9

On the side that was more pro-Islamic, the influential Shiite clergy was generally opposed to Israel and wanted to show their solidarity with other Muslim countries.10 One clergy member in particular, Ayatollah Seyed Abol-Ghassem Kashani, mentioned above, was a vocal organizer regarding this issue. He mobilized a number of clergy and merchants in the South of Tehran to vocally oppose the Israeli state, make threats against Iranian Jews, boycott their goods, and to volunteer to join Arab militias in Palestine against the Israelis.11 Some other outlets such as newspapers and fliers also provoked tensions against Iranian Jews and pro-Israelis. Additionally, in the early 1950’s Kashani’s group allied with the pro-Soviet Tudeh (People’s) Party, adding another

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9 Ibid., 8.

10 Souresrafil, *Khomeini and Israel*, 17.

11Ibid.
element that was against Iranian recognition of Israel. The Tudeh brought the anti-imperialist language to the issue of support for Israel within Iran.

In 1951, Dr. Mossadegh became Prime Minister and the Iranian consulate in Israel was closed in 1952. The government claimed that the closing was due to budgetary constraints. Sobhani suggests that this was in response to the desire of the Mossadegh government to attain Arab support for Iran’s oil nationalization policies at the United Nations. The Iranian consulate in Israel never officially reopened.

On the one hand, Iran and Israel had a number of reasons to form a partnership; on the other hand, the Shah did not want to upset his subjects and his Arab neighbors by openly cooperating with Israel. Thus, the Shah gave Israel only partial recognition while Turkey, another non-Arab Muslim nation recognized Israel in full. Still, at that point, none of the Arab nations recognized Israel. Even later on, Iran did not formally recognize Israel, and always cooperated with Israel covertly.

*Regional and International Climate*

However, there were a number of historical, cultural, and religious reasons for Iran to follow Turkey and also grant Israel more recognition than the Arabs. The Arabs supported Palestine because the Palestinians were also an Arab group. Iran, however, is not Arab and its identity, culture, language, and history are separate from the Arabs and

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have often been in conflict with the Arabs at various points in history.\textsuperscript{14} For various reasons, Iran has always felt somewhat threatened by the Arabs since the invasion in the 7th Century. However, it has also felt itself to be superior to the Arabs for retaining its culture, language, and other aspects of pre-Islamic Zoroastrianism in their literature, festivals, and other customs. In addition to these factors, most Iranians follow the Shiite branch of Islam rather than the Sunni branch followed by the majority of Arabs.

Iran also did not face many of the strategic and geopolitical concerns of the Arabs regarding the creation of a new Jewish state. Iran does not share a border with Israel, which excludes threats and disagreements related to border disputes and the influx of refugees. Also, the presence of many Jews in Iran as well as many who had moved to Israel, gave both countries the opportunity for a relationship. According to the Jewish Information Service, by 1960, 47,000 Iranian Jews had already moved to Israel, mainly for economic reasons.\textsuperscript{15}

During this period, the major regional threats to Iran were the Soviet Union and the surrounding Arab nations. The other major regional issue at the time was the ongoing Arab-Israeli conflict in which the Shah did not want to get involved.\textsuperscript{16} On the one hand, Iran supported the Arabs in the UN vote regarding the creation of Israel, while on the other hand, it gave Israel more recognition than the Arab countries. Iran granted only de

\textsuperscript{14} David Menashri, "Iran, Israel and the Middle East Conflict," \textit{Israel Affairs} 12, no. 1 (2006): 108.

\textsuperscript{15} Soaresrafil, \textit{Khomeini and Israel}, 16.

facto recognition to Israel out of respect for the Arabs since Iran was also an Islamic nation.\textsuperscript{17} Iran’s government was cognizant of the views of the Arab governments and Arab public opinion regarding its stance towards Israel. During the time of Arab Nationalism in the 1950’s and 1960’s Iran’s relations with its Arab neighbors were deteriorating, and the Shah felt that he was surrounded by hostile nations.\textsuperscript{18}

Although the opinions of the Arabs were important to the Shah, Israel was created at a time when the U.S. and Soviet Union were the two world superpowers who were pitted against each other. In this international context, countries had to choose their stance in this struggle and align themselves with one side or the other. The Cold War between the United States and the Soviet Union was a major factor in the Shah’s foreign policy. The Shah was especially concerned about Soviet support for opposition groups within Iran, as well as Soviet support for the Arab states were hostile towards Iran. Iran had a troublesome history with its neighbor, the Soviet Union, interfering in its affairs, and thus eventually sided with the Unites States for military and economic assistance.\textsuperscript{19}

During the 1950’s, Egyptian-Soviet relations were strengthened, giving the Shah a greater reason to turn to the pro-Western stance as well as ally with Israel. Egypt under Nasser was the leader of the Arab world during this time, and greatly influenced the other Arab nations. Nasser’s Pan-Arab ideas were a threat to all the non-Arabs in the region,

\begin{footnotes}
\footnote{\textsuperscript{17} Souresrafil, \textit{Khomeini and Israel}, 16.}
\footnote{\textsuperscript{18} Parsi, \textit{Treachorous Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 22.}
\footnote{\textsuperscript{19} Shahram Chubin and Sepehr Zabihi, \textit{The Foreign Relations of Iran : A Developing State in a Zone of Great-Power Conflict} (Berkeley: University of California Press, 1974) 4.}
\end{footnotes}
including Iran. As Egypt moved under the wing of the Soviet Union and began to buy weapons from them, the threat increased. Iran was also faced with strained relations with its neighbor Iraq over the Shatt-al-Arab waterway that separated the two countries.

Domestically, the Soviets were supporting leftist opposition movements within Iran, such as the Tudeh (People’s) Party, Mujahedin-e Khalq, and the Fedayeen-e Khalq.20 In addition to this, the leader of the pan-Arab movement, Nasser, “effectively articulated the unique relationship between Palestine, imperialism, and Arab unity to the Arab masses.”21 These ideas not only made the Shah’s pro-Western orientation unpopular with the domestic elements that supported the Palestinians, but also with the Arab populations.

As a result, the Shah turned to the U.S. and a pro-Western orientation in order to counter the Soviet threat both internally and regionally. The Shah saw cooperation with Israel, which was also Western oriented after 1950, as a way to counter the Soviet and Arab threats in the region. Iran’s turn to the pro-Western orientation was due to a number of factors, including the U.S. support for the Shah, helping to strengthen the internal security of the country, and the lack of association of the U.S. with imperialism as opposed to Britain and Russia who had occupied Iran during World War II. The pro-Western orientation also included the appeal of the Northern Tier Alliance, an American campaign which would link the three Middle Eastern countries on Russia’s southern

20 Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 21-25.

21 Sobhani, The Pragmatic Entente, 18.
border to the North Atlantic Treaty Organization (NATO) and Southeast Asian Treaty Organization (SEATO) treaties which were already in place. The Shah eventually joined the Western-oriented Baghdad Pact in 1955 along with these countries, Iraq, Turkey, Pakistan, and Great Britain.  

*Early Iranian-Israeli Cooperation: 1950’s*

In the 1950’s Israel and Iran began to turn towards each other and cooperated on a number of issues. As a country in the same region, the Israeli’s were faced with many of the same issues as Iran. They encountered even more hostility from the Arabs and were also faced with the context of the Cold War system. Although Israel later turned to the U.S. side, early on, it was stuck between gaining capital from the U.S. and the Russian Jewish immigrants it needed from the Soviet Union. Since the country was newly formed, it needed Jewish immigrants from the United States and the Soviet Union, as well as other countries, to provide manpower and capital to grow.

Early on, Iran and Israel were able to cooperate over this issue, especially in the case of transporting the Iraqi Jews through Iran to Israel. As mentioned, during the immediate years after Israel’s creation, encouraging immigration to Israel was considered of utmost importance to the new nation. Iraqi Jews were being subjected to persecution,

\[22\] Chubin and Zabih, The Foreign Relations of Iran, 4-5.

\[23\] Nikki R. Keddie, Modern Iran: Roots and Results of Revolution (New Haven, Conn.: Yale University Press, 2006) 139.

\[24\] Sobhani, The Pragmatic Entente, 1.
arrests, and trials at the time.\textsuperscript{25} Some of these Iraqi Jews escaped into Iran for safety, since Iran was much more tolerant towards its Jews. Thus, Iran became an important leg in the journey for Iraqi Jews who were coming to Israel. This factor encouraged Israelis to form closer relations with the Iranians. The Israeli foreign ministry was very concerned about this community and made it a priority to get them out of Iraq. This increased the Israeli desire to encourage relations with Iran and eventually, many Iraqi Jews were brought through Iran to Israel with the tacit approval of the Iranian government.\textsuperscript{26}

In addition to this motivation, another included the pressure from the U.S. to have closer ties, either by aligning with the U.S. or by stopping its regional isolation. Although Israel originally wanted to stay unaligned, it was willing to ally with Iran, a U.S. ally.\textsuperscript{27}

The growing Israeli nation also needed oil in order to support all of its development projects. The Arab countries would not sell Israel oil, a commodity it desperately needed in light of its rapid economic growth. Despite Arab objections, Iran sold oil to Israel from 1957 onward. The Shah said that it was a necessary source of income, arguing that oil sales were an economic issue, not a political issue. In turn, Israel offered Iran the opportunity to gain agricultural and developmental expertise as well as military training.

\textsuperscript{25} Bahgat, "The Islamic Republic and the Jewish State," 518.

\textsuperscript{26} Ibid.

\textsuperscript{27} Sobhani, \textit{The Pragmatic Entente}, 5.
In 1956, the Shah created Savak, Iran's secret intelligence agency, in order to counter domestic threats from the Communist Tudeh Party and the Fedayeen Islam. Although it was created in response to a domestic threat, the majority of the Iranian-Israeli relations through the following decades would be carried out through Savak on the Iranian side and Mossad, its Israeli counterpart. The partnership was created in order to keep the relations between the two countries discreet. The Shah also wanted a regional perspective on issues, and methods, especially in light of Nasser's threats against Iran. In relation to the CIA, Mossad was much better suited to deal with the regional environment since they were based in the Middle East.²⁸

Although there were never formal embassies established in either country, in 1958, an Israeli trade mission was established in Tehran and served as a cover for Iranian-Israeli government operations. Iran also had staff in Israel as early as 1950, where an Iranian Interests Section was established in Tel Aviv under the Swiss Embassy. A year later, under Dr. Mossadeq's government, the Iranian representative in Tel Aviv was removed under the pretext of budgetary issues.²⁹

The 1956 Suez Crisis was another area in which Iran was unwilling to totally support one side over the other. The Iranian government condemned Israel but it was also scared of Nasser and somewhat impressed with Israel's performance.³⁰


²⁹ Chubin and Zabih, *The Foreign Relations of Iran*. 156.

it saw Israel as an important market to sell raw materials, especially oil. After the 1956 war, Iran and Israel co-financed the Eilat-Ashkelon pipeline which connected Israel to the Gulf of Aqaba, thus avoiding the Suez Canal which was controlled by Egypt’s Nasser at the time. In this way, Israel could buy oil directly from Iran when none of the Arab countries would sell oil to them. Iran could also avoid the Suez Canal in many of its oil exports since at the time, 73 percent of Iran’s imports and 76 percent of its oil exports passed through the canal. Neither country acknowledged the oil pipeline or the trade, but the secret was well known and many Arab countries criticized Iran.

**Periphery Doctrine**

The Iranian-Israeli relationship became more formalized when in 1958 Israeli Prime Minister David Ben-Gurion developed the Periphery Doctrine, which shaped Israeli foreign policy for the next few decades. This secret pact would establish a bloc of states on the periphery of the Middle East, and form a triangle with Turkey and Iran in the North, and Ethiopia in the South. All of the nations involved were non-Arabs, and while Turkey and Iran are Muslim countries, Ethiopia is predominately a Christian country. All of these countries were pro-U.S. and against Nasser and the Soviet Union.

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31 Uri Bialer, “Fuel Bridge Across the Middle East--Israel, Iran, and the Eilat-Ashkelon Oil Pipeline,” *Israel Studies* 12, no. 3 (2007): 34.

32 Ibid., 33.


34 Ibid.
For the Israelis, being isolated among Arab states was a major security concern. At the time, many of the Arab states were gaining support from the Soviet Union. Pan-Arabism was a major issue in the 1950’s and 60’s and a great threat to both Israel and Iran, the two non-Arab states in the region. Through the informal pact of the Periphery Doctrine, Israel could also gain influence with the United States by offering them a group of states who were strong, largely populated, and all against Soviet dominance in the region. This concept would form one of the major cornerstones of Israeli regional policy for the next few decades.

On the Iranian side, the informal alliance that grew out of the Periphery Doctrine meant that the Shah was able to collaborate with Israel in a number of areas despite his refusal to formally recognize Israel. At this point in time, the Shah felt that Israel would be more likely to assist with regional issues than the U.S. who was tied up in areas such as Vietnam. Another major issue was the threat from Iraq, whose monarchy had collapsed in 1958 with a coup. The new Baathist regime sided with Nasser, Pan-Arabism, and the Soviet Union, a development which horrified Iran and its allies. As Behrouz Sorousrafi says in his book, the Shah did feel extremely threatened by the Arabs: “On numerous occasions, the Shah clearly mentioned that his closeness to Israel was the result of Nasser’s behavior, and that it was based on defensive reactions against the Arabs, particularly their expansionist policies in the Gulf.” In addition to this, the

36 Sorousrafi, Khomeini and Israel, 34.
new Iraqi government refused to accept the 1937 treaty regarding the Shatt-al-Arab waterway, and stopped Iranian oil ships from passing through to the Persian Gulf. During this point, in the late 1950’s, the relationship with Israel became stronger although it was still given only de facto recognition and not de jure recognition.

The Shah’s willingness to work with Israel was motivated by a number of factors, including his belief that Israel had influence in Washington as well as his desire for advanced Israeli technology. Israel needed oil from Iran, and was also motivated by its need for immigration from Iranian and Iraqi Jews and safe passage of Iraqi Jews through Iran. In 1957, the Shah began having his intelligence agency, Savak, handle all of his relations with Israel, keeping the Iranian Foreign Ministry in the dark. The Savak and parts of the regular military were secretly trained by Israeli military and Mossad in both Iran and Israel.\textsuperscript{37} Iranian officials travelled secretly to Israel through Turkey and there were even six Iranian diplomats stationed in Tel Aviv. David Ben-Gurion visited Iran secretly, as did other Israeli Prime Ministers.\textsuperscript{38

A major part of this arrangement was the military partnership that was formed, and meetings were held a few times a year between Savak, Mossad, and the Turkish Intelligence.\textsuperscript{39} One example was in 1962, when Iran and Israel cooperated to aid the Yemeni royal family who had been attacked by the Soviet-backed Nasser. Iran and Israel were motivated to act in order to promote internal Arab rivalries and therefore stop an


\textsuperscript{38} Ibid.

\textsuperscript{39} Sobhani, \textit{The Pragmatic Entente}, 29.
Arab coalition against their countries. In addition, they wanted to keep the shipping lines open. The Iranians and Israelis also worked together against Iraq by promoting Kurdish rebellions by providing them with arms. This kept Iraqi forces in the north away from Iran and Israel. The joint operation between Iran, Israel, and the Kurdish rebels was arranged by Iran, and provided arms, ammunition, and Israeli military advisors and training, all of which travelled through Iran. Mossad and Savak continued to cooperate on various operations together, gathering information on Soviet activities, as well as activities of other internal groups.

Israel also became Iran’s secondary source for arms supplies after the United States. As Sobhani explains, the Shah was motivated to become more independent and not rely solely on the U.S. He explains that the Shah saw how in 1965, the Pakistanis were put in a difficult situation in the Indo-Pakistani war when all their weapons were American, but the U.S. did not want to side with them during the war. This led the Shah to turn to Israel as an alternative source for weapons. In addition, Iran viewed the escalating momentum of the Arab movements around them as an increasing threat. In 1966, Iran signed a $6 million dollar arms deal with Israel and continued to buy weapons from them in later years.

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40 Sobhani, The Pragmatic Entente, 45.

41 Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S., 52-58.

42 Sobhani, The Pragmatic Entente, 49.

43 Ibid., 50.

During the 1960’s Iran was able to gain greater control over foreign policy due to a strengthened domestic position, rapid economic growth, and changes in the regional and international environment.44 Domestically, the Shah instituted a number of socioeconomic reforms under the ‘White Revolution’, while at the same time, Khomeini and other opposition groups were gaining influence. Regionally, the main issues were still the need to curb Soviet power and Pan-Arabism. Internationally, the Cold War was not as intense as it was during the 1950’s due to U.S. involvement in Vietnam and the Soviet dispute with China, among other reasons.45

However, during this time, Iran was gaining economic and military power due to funds from increased oil sales. This increase allowed Iran to eventually rely less on Israel and strengthen its relationship with the Arab nations. At the same time, other reasons made Iran also turn towards a stronger relationship with Israel. For example, the Shah was also interested in developing Iran by seeking Israel’s help in modernizing the Iranian military and agriculture, gaining foreign currency by selling oil to Israel, and using Israeli lobbying on Iran’s behalf in Washington.46 Domestically, the opposition movements were gaining influence during this time. Khomeini was able to gain power after the deaths of the influential Ayatollahs Kashani and Boujerdi in 1961 and 1962 respectively.

In 1960, Nasser broke ties with the Shah, and actively supported the Iranian internal

44 Chubin and Zabih, The Foreign Relations of Iran. 69.
46 Ibid., 157.
opposition movements, including Khomeini. Nasser supported Khomeini’s 1963 uprising, and provided facilities and training camps in Egypt for Khomeini’s urban guerrilla forces. Khomeini was against the Shah’s White Revolution of 1963. He claimed it was un-Islamic and brought the issue of Iranian-Israeli relations into his protests and campaigns.

In addition to causing domestic trouble for the Shah, Nasser stirred up regional issues by starting a propaganda campaign against the Shah over radio, rousing Arab countries such as Iraq and Syria to join him against Iran. Those countries went on to claim that the Iranian province of Khuzestan was “Arabestan” and renamed the Persian Gulf the Arab Gulf. The Shah then broke off ties with Syria for their involvement in the situation which added to the isolation he already faced in the region.

This regional isolation and animosity from the Arabs added to Iran’s willingness to move closer towards Israel. While cooperation from the 1950’s such as working together in Iraq against the Kurdish rebellions and oil and arms sales continued, other forms of cooperation were established as well. For example, the Israelis were brought in to create and implement a development plan for the region of Ghazvin, which had been struck by an earthquake in 1962.

Despite this cooperation, the Shah had always outwardly supported the Arab side in all of the Arab-Israeli wars. For example, in 1956 he supported Egypt against Israel.

47 Souresrafil, Khomeini and Israel, 23.
48 Ibid.
49 Sobhani, The Pragmatic Entente, 55.
during the Suez Crisis. Additionally, in the UN he always supported the choice of the Palestinians between compensation and repatriation.\(^{50}\) Immediately after the 1967 War, the Iranian government called on Israel to withdraw to the pre-1967 boundaries. This war was a turning point in Iran’s relationship with both Egypt and Israel, and was the beginning of Iran’s move towards Egypt and away from Israel. This was partially a result of Iran not wanting to see Israel gain too much power, as well as Egypt’s diminished threat to Iran after their defeat.\(^{51}\)

Although the increased relationship with the Arabs blossomed for a while during the 1970’s, the emerging power of Baathists in Iraq encouraged Iran to move towards befriending Israel again. The regime change in Iraq from a monarchy to Baathist rule in 1968, and Iraq’s turn towards Nasser and the Soviets was another major influence in moving Iran towards Israel and the West. In 1968, the Baathists overthrew the Iraqi monarchy, which caused more tensions between the two countries as both claimed the Shatt al-Arab waterway. Since Iraq and Iran share such a large border, this threat was especially evident. General Qasim, the new Iraqi leader, refused to accept the previous 1937 treaty regarding the Shatt Al-Arab waterway that gave the two countries access to the Persian Gulf. This was a major point of concern to Iran and greatly affected its oil shipments which were a major source of income. The Shah was worried about the Baathists who were allied with the Soviets, and thus had a good reason to move closer to

\(^{50}\) Chubin and Zabih, *The Foreign Relations of Iran*. 162.

\(^{51}\) Ibid., 164-169.
Israel. Despite this fact, the Shah signed the Algiers Accord in 1975 which made agreements with Iraq over the Shatt-Al-Arab waterway in return for stopping interference with Iraqi Kurds. However, in the process, it disrupted joint Iranian-Israeli-U.S. activities in Kurdish areas of Iraq which brought Iraqi Jews over to Iran. The Shah agreed to the deals with Iraq without consulting Israel or the U.S., and made them both very upset. The Shah was supportive of Egypt’s negotiations with Israel in 1977. One major reason was that he thought it would stem Soviet influence in the region if Egypt was on the side of the Israelis and the U.S.

In 1969, the British Navy left the Persian Gulf, leaving a vacuum that was filled mainly by Iran. President Nixon created the Twin Pillar Policy, which meant that the U.S. did not interfere in the Persian Gulf, but rather left its security to Iran and Saudi Arabia. In practice, Iran was more populous, had the strongest military, and the best regional position to take power. This increased the U.S. reliance on Iran in the region. In exchange for policing the Gulf, Nixon allowed the Shah to buy large amounts of U.S. arms, which the Shah was able to do as a result of his increased oil wealth.

This was the case again in October 1973, when the Egyptians attacked Israel again on the west, and the Syrians simultaneously attacked the Golan Heights to the east. This attack was financially backed by King Faisal of Saudi Arabia and took place on the Jewish Day of Atonement, Yom Kippur. During this war, the Shah again sided more

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52 Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 55.
53 Ibid., 36.
54 Keddie, Modern Iran: Roots and Results of Revolution, 163.
with the Arabs, even though he technically maintained a position of neutrality. The Shah sent medical supplies to Arab states, pilots and planes to Saudi Arabia, and allowed the Soviets to fly military equipment over Iran. However, Iran also sent some military supplies and oil to Israel as well. At the same time, he also refused Australian volunteers going to Israel to transfer through Iran.

The Shah’s history with the Arabs and Israelis was one of playing both sides of the fence, and in the 1970’s the Shah was able to move closer to both the Arabs and Israel. Iran knew that if Israel won, the Arabs would become more radicalized and be less likely to open to siding with the Pro-American Shah. However, if Israel was totally crushed in any regional war, then Iran would become the focus of the Arab countries. Also, the Shah was concerned that if a long-term conflict was going on in the Middle East that would give the Soviet Union an excuse to intervene since the U.S was overextended in Vietnam.

In the 1973 War, Iran was able to side more with the Arabs, due to a number of reasons. Arab states were moving more towards individual state interests rather than Pan-Arab ones, thus relieving the Pan-Arab threat to both Iran and Israel. Some of the most notable regional issues were Anwar Sadat’s decision to change Egypt’s position on the Arab-Israeli issue, and the Lebanese Civil War in 1975. After Nasser’s death in 1970,

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55 Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 46.

56 Sobhani, The Pragmatic Entente, 89.


58 Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 44 – 45.
the Shah also allied with Sadat, which helped him move closer to the Arab states. In general, the Arabs were more concerned with the welfare of their own countries rather than a Pan-Arab cause, thus removing a united threat against Iran.

For Iran, the 1970’s was about the Arab-Israeli conflict and the Cold War. Pan-Arabism was no longer a threat, and Arab states were more focused on their own interests. The Shah was focused on maintaining stability in the region and was worried that another war between the Arabs and Israelis would revive Soviet influence in the region.\(^{59}\) Another issue was to maintain Iran’s leadership role in OPEC, and thus it was in the Shah’s interest to make closer ties to the Arab world.\(^{60}\) The Shah did this by approaching Sadat, and through Egypt, trying to reach out to the rest of the Arab world. In 1975 the Shah also reached out to Iraq, which was a surprise to everyone, including Israel and the U.S. This move was made for two reasons: one, to make a deal regarding the Kurds, so that the Shah did not have to keep troops there. The second reason allowed Iran to use the Shatt al-Arab to ship oil into the Persian Gulf safely.\(^{61}\) In March of 1975, the Shah signed an agreement with Saddam Hussein in Algiers. This deal said that Iran would stop support for the Kurdish rebellions in Iraq, in turn, Iraq would stop supporting opposition movements in Iran in the Persian Gulf, and Iran would be granted the thalweg boundary for the whole Shatt al-Arab.

\(^{59}\) Sobhani, *The Pragmatic Entente*, 103.

\(^{60}\) Ibid., 104.

\(^{61}\) Ibid., 107.
The Israelis were upset that the Shah had not informed them of this arrangement. In addition, they would no longer have access to Iraq through the Kurds. It was then, during the late 1970's, that Iran was moving more towards the Arab side of the Arab-Israeli conflict and was warming up to its Arab neighbors. However, Soviet relations remained strained due to Soviet support of opposition movements within Iran.

During the 1970's the Shah faced continued domestic opposition to his relationship with Israel. The public was still generally anti-Israel, especially after the 1967 and 1973 wars, and was influenced by the religious circles and anti-imperialist ideals. Trita Parsi states that expressing anger towards Israel was an accepted outlet for many people to express anger with the Shah's rule, while openly challenging the Shah was not. However, many of the opposition movements, including the Tudeh, Mojahedeen Khalgh, and Fedayeen Khalgh went further and received guerrilla war training with the Palestinian Liberation Organization (PLO) camps in Lebanon. The Iranian Savak and the Israeli Mossad worked together to get information on these groups and coordinated their information during the 1970s.

With the rise of Saddam Hussein in Iraq, and the U.S.'s reduced willingness to sell weapons to Iran, Iran turned again to secretive dealings with Israel.

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In late 1977, Israel and Iran both felt that they were unable to rely on the Carter administration in the U.S. or on the UN to assist them in a time of emergency.64 As a result, they turned to each other. That year, Iraq received a delivery from the Soviets, while the U.S. was unwilling to send comparable missiles to Iran.65 This caused panic in both countries, and led Iran and Israel to form a joint missile program without the knowledge of the U.S. These were secret dealings, and the weapons were shipped into central Iran under the guise of a Swiss front company. It was done through an “oil for arms” deal with Israel. Iran and Israel signed an agreement in 1977 about Operation Flower as well as other military assistance.66

Soon after this, domestic opposition to the Shah would gain power, and the Shah tried to placate the opposition by appointing Shahpour Bakhtiar as prime minister in December 1978. Bakhtiar drastically changed the Shah’s policy on Israel. Some of his major efforts involved expanding ties with the Arab countries, supporting a homeland for Palestinians, and also canceling the export of oil to Israel.67 Although he was only in power until February 11, 1979, this was a major departure from the Shah’s policy and showed Bakhtiar’s attempt to cater to Khomeini, especially with the issue of selling oil to Israel.

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64 Sobhani, The Pragmatic Entente, 128.

65 Ibid., 129.

66 Ibid., 132.

67 Souresrafil, Khomeini and Israel, 42.
The Iranian-Israeli relationship from the 1950s through the 1970s was not the simple friendship of anti-Soviet, non-Arabs that had been desired by Ben-Gurion and the Periphery Doctrine. Although Iran and Israel were able to cooperate on many issues, the complicated domestic, regional, and international arenas forced the Shah to cater to both the Arab and Israeli sides. Despite internal and regional opposition, the Shah's reasons for working with the Israelis were still strong. He relied on the relationship to keep the Arabs nervous about attacking Iran, to help with economic development and expertise, to support military build-up and the cooperation of Mossad and Savak, and to create markets for Iranian oil.

As soon as Khomeini came to power, the relationship with Israel was null and void. Most of the other groups who were involved in the opposition were also anti-Israeli, such as the Tudeh, Fedayeen, and Mojahedeen. After the overthrow of the Shah, the relationship between Iran and Israel changed drastically and included a severing of ties. However, as a result of the Shah's military build-up of Western arms, the Islamic Republic was forced to turn to Israel in order to gain military parts during the eight-year long war with Iraq. Israel began selling arms to Iran in the early 1980's, and this arrangement went on until the Iran-Contra affair was exposed in 1985-1986.
CHAPTER 3

IRANIAN-ISRAELI RELATIONS IN THE KHOMEINI ERA

The 1979 Islamic Revolution caused a dramatic change in Iran's domestic scene, as well as its relationship with other countries, both regionally and globally. One of the many changes was that the relationship with Israel was severed almost immediately. Although the Shah was not really pro-Israel, the opposition to his connections to Israel had factored greatly in the demonstrations and was one area where leftist and religious groups were both in agreement. Despite this opposition to working with Israel, during the 1980s both Iran and Israel were still faced with many of the same regional and international problems that had brought them together in the previous decades. The main problems were hostility from their Arab neighbors, especially Iraq, as well as the threat from the Soviet Union.

The Islamic Republic's regional isolation, coupled with the costly Iran-Iraq war led to a contradiction in words and practice during the early to mid-1980s. In practice, the government was involved in secret arms deals with the Israelis. At the same time, the anti-Israeli ideology was voiced loudly. Therefore, in the interest of maintaining the government, Khomeini's ideology against Israel before and during the Revolution had already become secondary to the needs of Iran against the Iraqi and Soviet threats. The case of the Iran-Contra Affair and the cooperation between Iran and Israel demonstrates that for both countries, there were still a number of compelling reasons to cooperate, despite Khomeini's rhetoric against Israel. At the same time, the Islamic Republic also
began funding Hizbollah, which reinforced the Iranian strategy of pursuing both paths as it suited them.

**Khomeini’s Ideology**

Khomeini’s ideology has greatly affected Iran’s foreign policy, and as a result, the Islamic Republic’s relationship with Israel. Khomeini’s Islamic ideology is not a traditional ideology, but a product of Iran’s specific history, conditions, and other secular Iranian and Third World ideas.¹ Khomeini’s world view was based on power, between the oppressed and oppressors; ideology, at the time, pro-Western versus pro-Soviet, and Iran who was ‘neither East nor West’; and morality, those who follow the ‘right path’ (Islam) or those who follow the ‘corrupt path.’² Khomeini also incorporated Third World theories such as imperialism, neo-imperialism, colonialism, and neo-colonialism to explain how the Western powers had oppressed Muslims in order to exploit them in the past.³ Khomeini incorporated all of these ideas into his version of Shiite Islam. Many of these themes were present in his analysis of the Arab-Israeli conflict.

**Ideology Regarding Israel**

Khomeini’s opposition to Israel had begun before the revolution, and the anti-Zionist theme played a significant role in his speeches in the later late 1960s and 1970s. Khomeini gained national recognition for his opposition to the Pahlavi regime during 1962-1963, and this was also when he became more vocal about his opposition to Israel.

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² Ibid., 37.

³ Ibid., 39.
This was a turning point for Khomeini, who was previously more focused on speaking out against the Shah rather than speaking about Israel. It was at this point that he began to use certain types of name-calling against the Shah such as “Zoroastrian fire worshipper” or calling him an “agent of Zionism,” among other insults. After Khomeini was exiled in 1964, this anti-Israel theme continued in his messages, as well as in the messages of other opposition leaders.

One reason was that opposition to the state of Israel and Zionism was a safe and domestically accepted outlet for protest, while direct opposition to the Shah was dangerous. The leftist groups opposed Israel because of its close relationship with the United States, and they saw Israel as a force of Western imperialism in the Middle East. The Left also saw Zionism as a racist ideology, and compared the treatment of Palestinians to apartheid in South Africa. On the other side, the religious forces saw Israel as an illegitimate country on stolen Muslim lands. Although the different groups had different reasons, they were in agreement about their opposition to Iran’s involvement with Israel through trade and other dealings. As Khomeini’s ideology incorporated elements of both ideas, he used the various arguments against Israel in his ideology.

Khomeini’s propaganda campaign against the spread of “Jewish influence and Zionism” had a number of components. He called for the annihilation of Israel and the

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5 Menashri, “Iran, Israel and the Middle East Conflict,” 110.

6 Parsi, *Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S.*, 82.
destruction of the Zionist movement, with the message that Israel was out to destroy Islam. A part of Khomeini’s general ideology was that the ulama, or clergy, must purify Islam, which he saw as threatened by Christianity, Zionism and materialism, doctrines he considered perverse, but were nonetheless encouraged within Iran by the Western powers that supported the Shah. Khomeini also incorporated the leftist connections between Israel and imperialism, and Israel’s close relationship with the Shah was another reason to dislike the Jewish state.

For Khomeini, the Arab-Israeli conflict was based on the very existence of the state of Israel, and not necessarily who was in power, nor the specific actions of the state or government. Before and after the revolution, the Arab-Israeli conflict was perceived by many within Iran as an Islamic issue, and Khomeini stressed that all Muslims had a religious obligation to struggle for its liberation.

From the very beginning of the unrest, and continuing after the revolution, there were attempts within Iran to make a distinction between individual Jews and Zionists. During the revolution, some Iranian Jewish groups even joined with the protesters in anti-Zionist rhetoric. Although suspicion against the Jewish community continued among the clerics and other Iranians, the Qur’an is clear in its teaching about the other peoples of the book; Jews and Christians. Both are monotheistic followers of the Abrahamic faiths,

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7 Souresrafil, Khomeini and Israel, 1.
8 Keddie, Modern Iran: Roots and Results of Revolution, 193.
9 Menashri, “Iran, Israel and the Middle East Conflict,” 110.
10 Souresrafil, Khomeini and Israel, 44.
as is Islam, and they are both accordingly protected under the Constitution of the Islamic Republic. However, although people of the Jewish faith were protected, Zionists were not. Jews were a religious group allowed in Islamic law, while Khomeini saw Israel as an illegitimate, colonial state. In addition, Khomeini’s training as an Islamic jurist allowed him to form his policy based on Islamic law, which prescribed tolerance towards monotheistic religions minority groups. In other words, he established a clear delineation between Judaism on the one hand, and Israel and Zionism on the other hand.

This distinction has remained until today, where Jews are technically protected in Iran while Zionists are reviled. The Islamic constitution recognizes Jews as a religious minority, allows them a representative in the Majlis, and accepts certain Jewish laws, such as those on burial and divorce. In Tehran, there are Jewish synagogues, schools, and hospitals. In fact, Iran is home to the largest Jewish population in the Middle East outside of Israel. Although Jews in Iran face hardships and anti-Semitism, there was technically this ideological distinction made early on by Khomeini.

In terms of regional policy, the ideology against Israel has been used at various times during the past 30 years as a way to project Iranian influence to the Arab world. Repeatedly, Iran has used this ideology to gain the support of the Arab street who are

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12 Ibid.

13 Ibid.

upset about their government’s acceptance of the Israeli state. The anti-Israeli rhetoric also keeps Iran relevant in the regional scene:

Without the Arab-Israeli conflict, Iran might have remained essentially insular. By making the aspirations of a Sunni population a central tenet of its regional policy, Shia Iran managed to overcome the sectarian divide and make its revolution a relevant model for the Sunni dominated Middle East.\(^5\)

Basically, Iran used the issue to emphasize its Islamic nature and gain the support of people in the region without actually supporting the Palestinians very much.

**After the Revolution & PLO Relations**

After the Revolution, all ties between Tehran and Tel Aviv were formally severed, including economic, political, and social exchanges. This happened formally on February 18, 1979 when the Prime Minister Mehdi Bazargan severed all relations with Israel, including oil sales and commercial flights between the two countries.\(^6\) A few days earlier, on February 11, the Israeli Interests Office in Tehran was one of the first foreign mission offices to be occupied by revolutionary forces, which received a great deal of publicity. A few days later, on February 18, Palestinian Liberation Organization (PLO) leader Yasser Arafat arrived uninvited and unannounced in Tehran, and was the first foreign leader to visit the Islamic Republic. Arafat and Khomeini had a brief

\(^5\) Takyeh, “Iran, Israel and the Politics of Terrorism,” 86.

meeting, and later the former Israeli Interests office was re-opened by Arafat as the PLO embassy with great fanfare.\textsuperscript{17}

Khomeini took a number of other moves around this time to represent his support for the Palestinian cause. Some of these acts included renaming the prominent street in Tehran where the new Palestinian Embassy was located from Kakh Street to Palestine Street, declaring the last Friday in Ramadan as World Quds (Jerusalem) Day, holding national demonstrations against Israel and supporting the Palestinians, and other similar actions.\textsuperscript{18} Arafat also travelled through Iran and set up offices in Ahvaz, a city in Iran with a large Arabic speaking population.\textsuperscript{19}

Despite the superficial actions taken by Khomeini to demonstrate his support for the Palestinian cause, his words were not backed up by actions. While the PLO had invested in the movement against the Shah by helping to train Iranian opposition forces in PLO camps in Lebanon, they did not receive much support from Khomeini besides verbal and rhetorical support.\textsuperscript{20} Khomeini had also made it clear that Iran was in no position to help the PLO financially, neither with arms nor soldiers. Additionally, although the PLO had opened an office in Ahvaz at the beginning of the revolution, in less than a year they were asked to close it down. According to Souresrafil, government officials were

\textsuperscript{17} Parsi, \textit{Treachery Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 81-82. Souresrafil, \textit{Khomeini and Israel}, 44-45.

\textsuperscript{18} Souresrafil, \textit{Khomeini and Israel}, 44-45.

\textsuperscript{19} Parsi, \textit{Treachery Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 84.

concerned that the PLO was inciting turmoil within the Arab minority in the region and provoking separatist sentiments.\(^{21}\)

These events concerning Israel and the PLO directly after the Revolution were more demonstrative of the verbal ideology on the part of Khomeini and his government rather than a substantial change in foreign policy. Despite the rhetoric against Israel and in support of the Palestinians, there was little real support for the PLO. Although the PLO had invested in training and supporting the Iranian opposition forces before the revolution, Khomeini made it clear to Arafat that the Iranian government needed to focus on internal problems following the revolution.\(^{22}\) Thus, there was no real support for the PLO. Arafat had been expecting real support, in the form of arms, money, and human resources.

As mentioned earlier, the Iranians had redefined the Arab-Israeli conflict as an Islamic one. Iran needed to do this in order to play a leadership role in the region. If the conflict was defined as an Arab issue as opposed to an Islamic one, then Iran would not have an opportunity for major involvement in the Palestinian issue.\(^{23}\) It also gave Iran the opportunity to mobilize Arab people on the street to their cause and protect their regional influence even though they were ethnically and religiously different,


\(^{22}\) Sorousrafil, *Khomeini and Israel*, 46.

\(^{23}\) Parsi, *Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S*, 84.
and rather isolated. In terms of the PLO, Khomeini was also critical of the organization’s communist tendencies and suggested to Arafat that they take a more Islamic route in their ideology, which was not taken well.

Arafat was not the only Arab leader who was disturbed by Khomeini’s speeches. Khomeini was also upsetting other Arab leaders by accusing them of abandoning Islam and embracing secularism. The countries with large Shiite populations such as Bahrain, Kuwait, and Iraq were especially upset, and tensions emerged between Iran and the Gulf Cooperation Council (GCC) states. Iran was becoming increasingly isolated.

**Iranian-Israeli Arms Trade during the 1980’s and the Iran-Contra Affair**

In September 1980, just a few months after the revolution, Saddam Hussein took advantage of the chaotic domestic situation in Iran and invaded southern Iran along a massive front. Regionally, Iran was isolated, since the Arabs were unwilling to work with them. The taking of hostages from the American Embassy and the subsequent trade embargo, as well as the disarray of the post-revolution armed forces, put Iran in a position where it was forced to rely on shady dealings with Israel for spare parts after the initial assault by Iraq. Khomeini needed Israel’s help, but did not want their cooperation to be public. Israel wanted to work with Iran for a number of reasons, but largely because it had no one else in the region. As a result of their shared threats in the region,

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24 Takeyh, “Iran, Israel, and the Politics of Terrorism,” 84.

they still had similar interests. In addition to this, there were officials on both the Iranian and Israeli sides who felt that the anti-Israeli rhetoric in the Islamic Republic did not mean that the two countries had to break ties. The previous cultural and geopolitical reasons that had driven the periphery doctrine were still strong.26

The Iran-Contra Affair was one of the most public instances of cooperation between Iran and Israel. In light of Khomeini’s repeated words against the state of Israel, the breaking of this news was especially surprising to members of the public in Iran, Israel, and the United States. However, considering the regional and international situation at the time, there were clear reasons for all three countries, especially Iran and Israel, to be involved in this deal. The hostage crisis, and the subsequent international embargo, the freezing of Iranian assets abroad, and the end of U.S. sales of arms and spare parts to Iran all forced it to turn to Israel. Once Iraq attacked Iran, there was no other option.

*The Iran-Contra Affair*

Despite the fact that Iran had severed ties with Israel at the beginning of the revolution, Iran and Israel were dealing in weapons soon after. These dealings took place even prior to the Iran-Contra affair. Prior to that deal which involved the United States, the arms sales between Iran and Israel began in 1980, soon after Iraq invaded, and ended with the Iran-Contra Affair in 1985-1986. The secret trade relations and military

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assistance between Iran and Israel during the early 1980's began soon after the start of the Iran-Iraq War, and took a number of forms.\textsuperscript{27}

The relationship between the two countries had become closer when the Iran-Iraq War began in September 1980. Israel sent a number of weapons to Iran without knowledge of the United States, while at the same time there were a number of Israelis in Iran training Iranians in the use of their new advanced weaponry.\textsuperscript{28} Earlier, shortly after the revolution, the Islamic Republic received heavy military equipment including 250 tires for its F-4 fighters as well as $135 million worth of anti-aircraft battery missiles, mortars, ammunition, and other weapons from the Israeli government.\textsuperscript{29} Israel sent back American-built tanks to Iran that the Shah had sent to Israel for repairs before going into exile. From 1980-1983, Iran purchased over $500 million in arms from Israel.\textsuperscript{30} In addition, Iran also sold oil to Israel at a 25% discounted rate in 1982.\textsuperscript{31}

The Iranians also helped the Israelis by giving the Israelis the plans of the Iraqi Tamuz reactor near Baghdad. Israel felt that the Iraqi nuclear reactor posed a threat to their security. Aerial photographs and other high level information allowed Israel to successfully bomb the Iraqi reactor in 1980 and 1981.\textsuperscript{32} There were reports that Iran had

\textsuperscript{27} Haggai Ram, \textit{Iranophobia: The Logic of an Israeli Obsession}, (Stanford, California: Stanford University Press, 2009), 36.

\textsuperscript{28} Sorousrafif, \textit{Khomeini and Israel}, 30.

\textsuperscript{29} Sobhani, \textit{The Pragmatic Entente}, xi.

\textsuperscript{30} Sorousrafif, \textit{Khomeini and Israel}, 84.

\textsuperscript{31} Ibid.

\textsuperscript{32} Ibid., 63.
supplied Israel with information and aerial photographs of the area. Saddam used this incident to say that Iran was working with the Israelis but the Iranians repeatedly denied this claim.\textsuperscript{33}

In 1986, the United States became involved in what was later called ‘Irangate’ or the ‘Iran-Contra Affair’. For their part, Iran was in need of American military parts since its technology was all purchased from the United States by the Shah prior to the revolution. In January 1986, U.S President Ronald Reagan authorized the CIA to purchase 4,000 Tow missiles from the Defense Department and sell them to Iran via Israel.\textsuperscript{34} Israel made three deliveries of arms to Iran in 1985, and the U.S. directly managed four arms deliveries in 1986. The story was revealed in November 1986 when a magazine in Beirut \textit{al-Shiraa} published an account of the U.S.-Israeli-Iranian transfers. The article revealed that the U.S. government had been selling arms to Iran since August 1985, in exchange for the release of hostages in Beirut.

Out of this deal, the Iranians and Israelis mutually benefitted. Iran needed American weapons, and Israel wanted to prolong the war and prevent Iraq from winning and gaining more regional power. In the end, the U.S. was the one who lost out, since not all of the hostages were released and they did not gain influence in Iran. Meanwhile, Soviet influence increased and the Iran-Iraq War continued. Although this instance of

\textsuperscript{33} Souresrafil, \textit{Khomeini and Israel}, 66-67.

\textsuperscript{34} Keddie, \textit{Modern Iran: Roots and Results of Revolution}, 258.
working together seemed highly unlikely and shocked the public in all three countries, there were reasons for all three actors to involve themselves in the Iran-Contra Affair.

*Iran's Reasons for Trading with Israel*

After a string of Iraqi victories early in the war, with Iraq making significant headway into Iranian territory, Iran was forced to turn to Israel for help. Iran possessed U.S. military equipment left over from the Shah’s time, but the United States had forbidden the sale of weapons or parts to Iran after the hostage crisis, and the Iranian military was desperately in need of parts. The Islamic Republic found itself isolated from the international system, while Iraq was receiving help from many different countries, Arab and Western alike. Their only allies were Syria, and to some extent Libya and Algeria. The Soviet occupation of Afghanistan in 1979 further amplified Iran’s anxiety regarding the security of their borders.

Following the revolution, the military in Iran was extremely disorganized and chaotic, leaving the country vulnerable to invasion. After the revolution, many Iranian officers fled the country or were imprisoned or killed by revolutionaries. As a result, much of the domestic military knowledge and experience was lost. Between 1979 and 1980, Iran’s armed forces were depleted by more than 100,000 men. The loss severely hindered the armed forces, as they were unable to control their internal struggles, let alone control the border. In addition, Iranian military spending was cut almost in half between 1978 and 1979. Between the loss of the armed forces and the decreased military

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spending, Iraq became far superior to Iran in the quality and number of arms as well as the number of soldiers on the ground.\textsuperscript{36} Many of the officers of the Iranian Air Force and Navy were also purged, even though those branches were not involved in operations against demonstrators under the Shah.\textsuperscript{37} The army was also being purged by the clergy, and resulted in the loss of thousands of additional officers.\textsuperscript{38} Souresrafil cites the English magazine, \textit{Military Balance}, which printed an article estimating that in 1979-1980, 60\% of the military personnel had quit, and in some units that number was as high as 80\%.\textsuperscript{39} Due to the purging of many of the top military officers, in February 1980, Khomeini appointed Bani Sadr, a person with no military experience, the Commander-in-Chief of the armed forces. There was little trust for the armed forces at the time because the revolutionaries saw them as loyal to the previous regime.

In addition, Iran’s military equipment was all U.S. military equipment left over from the Shah’s time, but the United States had forbidden anyone from selling weapons or parts to Iran after the hostage crisis. The Iranian military was desperately in need of parts and had no source for purchasing new arms.

Regionally, the Islamic Republic was isolated by this time. Iran was surrounded by hostile Arab states, the Soviet Union, and Soviet occupied Afghanistan. While in the past Iran had turned to the United States to counter the Soviet Union, that option was no

\textsuperscript{36} Parsi, \textit{Treachorous Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 87.

\textsuperscript{37} Souresrafil, \textit{Khomeini and Israel}, 57.

\textsuperscript{38} Ibid.

\textsuperscript{39} Ibid., 58.
longer possible. Desperate for other ways to alleviate their increasingly dire situation, anti-Israeli rhetoric was increased in an attempt to soften threats posed by the Arab states, or at least make it more difficult for them to support Iraq.\(^{40}\) Iran wanted to exploit the gap between the Arab governments and Arab popular opinion, and make it more costly for the Arab governments to oppose Iran. Their aim was to appeal to local peoples’ religious views and their frustration with their governments’ lack of action towards Israel and the superpowers.\(^{41}\) However, this only created tensions between Iran and the other governments, which chose to support Iraq during the war.

Being isolated from the Arabs was a serious blow to Iran, considering its goal of exporting the revolution. The Arabs disliked Iran’s revolution because they were not receptive to the brand of political Islam that Khomeini was exporting, and also countries such as Bahrain, Iraq, and Saudi Arabia were worried that their Shiite minority populations would be swayed by Iran.\(^{42}\) Although Egypt had tried to reach out to Iran after the death of the Shah, the Iranians rejected Sadat’s offer in order to show that they were supporting the Palestinians.\(^{43}\) Iraq had wanted to become the Arab leader in the region with Egypt out of the picture, and Saudi Arabia was especially upset by Khomeini’s claims as the leader of all the world’s oppressed Muslims – as the birthplace of Islam and location of the holiest sites they felt they should have that role.

\(^{40}\) Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 101.

\(^{41}\) Ibid.

\(^{42}\) Ibid., 93.

\(^{43}\) Ibid.
While Iran was lacking in regional friends and oil revenue after the revolution, Iraq was able to draw support from the U.S. and the Soviet Union, and receive military, technological and economic assistance from a number of regional Arab allies. Iraq knew before attacking that they could count on Arab support. The Soviets also initially helped Iraq, which angered Khomeini. In addition, once Iraq showed that it could hit Tehran, this showed that they could also reach Israel.44

*Israeli Reasons for Involvement*

There were a number of reasons for the Israelis to trade arms with Iran before and during the Iran-Contra affair. These were the interest in the welfare of the Iranian Jewish community, the economic incentives of selling arms to Iran, the desire to maintain contact with generals in Iran who may be important if the regime ended, and a desire to keep the war going in order to divert Arab attention away from Israel.45

Israel was extremely concerned about the 90,000-100,000 Jews who were still in Iran after the Revolution.46 Under the Shah this group had been relatively safe, however there were reports that this had changed under the new government. Although Khomeini made distinctions between Iranian Jews and Zionists, and promised safety to the former while reviling the latter, many Iranian Jews were reporting that they no longer felt safe. In April 1979, the head of the Iranian Jewish community, Habib Elghanian was executed,

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45 Sorousifal, *Khomeini and Israel*, 113-117.

as were other Jewish leaders in the coming months, adding to this sentiment.\textsuperscript{47} Since Israel no longer had diplomatic relations with Iran, they were very constrained regarding policy options to help this community. Only months after the hostage crisis, Israeli Prime Minister Begin sent tires for F-4 Phantom fighter jets and weapons to Iran. In exchange, a large number of Iranian Jews were permitted to leave Iran.\textsuperscript{48} In total about 55,000 Iranian Jews were able to leave Iran through the Pakistani border and flown to Austria where they often went on to the United States or Israel.\textsuperscript{49}

Israel’s arms exports also played a significant economic role and factored into its decision to sell arms to Iran. The Israeli arms industry played a large role in its economy, and arms accounted for 20 \% of its total exports and 60,000 jobs.\textsuperscript{50} For example, Souresrafil has the following quote from Gary Sick which explains the role of military products: “Israel has concluded that selling arms is a nice and very profitable business. One out of every ten Israeli workers is working in the industries related to manufacture of arms. Military products comprise more than one quarter of total Israeli exports”\textsuperscript{51}. Although there is not much information available on the specifics of the economic benefit to Israel, it is very likely that this was a factor in their decision.

\textsuperscript{47} Sobhani, \textit{The Pragmatic Entente}, 144.

\textsuperscript{48} Parsi, \textit{Treachery Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 95.

\textsuperscript{49} Sobhani, \textit{The Pragmatic Entente}, 146.

\textsuperscript{50} Ibid.

\textsuperscript{51} Souresrafil, \textit{Khomeini and Israel}, 113.
A third factor was the hope among some Israelis that the Khomeini regime would be short-lived. With this hope in mind, they wanted to keep ties to Iran open in the event that the Khomeini regime fell. Many in the Israeli leadership saw a distinction between Iran as a geopolitical entity, which had drawn them to Iran under the periphery doctrine, and the leadership of Iran, which was hostile towards Israel. In light of the traditional problems between Iranians and Arabs, because of religious, cultural, linguistic differences, the Israelis felt that the hostility from the Islamic Republic was a temporary break in an otherwise natural alliance between the two states. Many in the Israeli leadership felt that the Khomeini regime would not last forever, and that a more moderate government would take control in the vacuum of Khomeini’s absence. In addition, they felt that becoming close to the generals would help them in the situation of an overthrow of the Islamic Republic.

Another reason that Israel wanted Iran to remain strong in the war was for geopolitical reasons. Regionally, Israel was faced with many of the same regional concerns as during the 1970’s, such as threats from the Soviet Union as well as the threat of a strong Iraq. Iran was still an ideal ally, because of its location outside the Arab countries, the previous economic and military ties to Israel, and its traditional enemies in common: Iraq and the Soviet Union. Iran was worth trying to keep as an ally despite the anti-Israeli rhetoric. Although Israel disliked Khomeini and his anti-Israeli rhetoric,


53 Soueresrafil, Khomeini and Israel, 114.

54 Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 90.
they did not want Iraq to gain military strength or win the war and gain regional power. In addition, the Iran-Iraq war caused states to take sides, and while most people sided with Iraq, Syria and Libya sided with Iran, creating a rift among the Arabs which benefitted Israel.

Israel did not want Iran’s military to totally collapse was that it did not want a decisive Iraqi victory, which would change the regional climate in favor of the Arabs. It was in the Israeli interest to have both sides tied up in the Iran-Iraq war for a long amount of time, since at the time those two countries were the biggest threats to Israel.⁵⁵ Also, Iraq had never been a friend of Israel. Iraq had participated in the Arab-Israeli wars, which Iran had never done. Baghdad had also opposed all of the peace programs with Israel. There was also the hope that helping Iran or remaining close to Iran could prompt Iran to restrain its proxy forces in Lebanon.⁵⁶

Despite these reasons for Israel to cooperate with the new Iranian regime, there were others in the Israeli foreign policy machine that disagreed. They pointed out that after the 1970’s the Arab nations were not the unified block they once were, and that they no longer posed the threat that they once did. Egypt had signed the Camp David Accords, and now with Nasser gone, there was no unified front. The Periphery Doctrine, where the Arab nations posed the threat and the surrounding countries, such as Iran, did not, was gone. The roles were reversed, and Iran now posed a larger threat while the


⁵⁶ Soussefrafil, Khomeini and Israel, 55
Arab countries, besides Iraq, mostly did not. Also, Iran was at this point supporting anti-Israeli groups in Lebanon, which were one of the major threats at the time. The periphery was a bigger threat, and they could reach Israel directly, or through Lebanon, which was happening.\textsuperscript{57}

\textit{U.S. Reasons for Helping Iran}

The United States was motivated to get involved in the Iranian arms sales because they sought the release of the captured U.S. citizens in Lebanon, and also they wanted to keep some ties with the Iranian government in case they turned to the Soviets or the government collapsed.

The hostages were a major issue for Regan, and they were held hostage by Hizbollah, which had ties to Iran.\textsuperscript{58} By 1985, Reagan felt hopeless about getting the hostages out of Lebanon, and turned to the Israelis for help.\textsuperscript{59}

In addition, the U.S. was worried that if Iran collapsed, the Soviets would be able to obtain greater influence over Iran. Also, many in the U.S. government thought that after Khomeini died, there would be a different regime, and that they should maintain ties with the Iranians in case a new government was formed that would have ties with the U.S.

\textsuperscript{57} Sobhani, \textit{The Pragmatic Entente}, 152.

\textsuperscript{58} Gawdat Baghat, "The Islamic Republic and the Jewish State," 525.

\textsuperscript{59} Souresrafil, \textit{Khomeini and Israel}, 101.
Some people in the U.S. government felt that isolating Iran contributed to increased radicalism internally and in its foreign policy.\textsuperscript{60} Although the United States was assisting Saddam Hussein in his war against Iran, it also feared that if Iran were weakened and isolated too much, it would turn to the Soviet Union for aid.

The United States also relied too much on Israeli information, which stressed the need to work with Iran in the case that moderates would take over the country. Souresrafil says that the U.S. Iran policy was basically formulated by Israel, which stressed that factor, while not giving too many details on who the moderates were.\textsuperscript{61}

Once the trade was revealed, it caused a major scandal in the U.S. and led to Congressional investigations on the matter. In the end, the U.S. did not gain very much from this exchange.

\textit{Conclusion}

Ultimately, Iran came out the winner in this deal because it was able to get the parts it needed without changing its behavior or policies at all. Israel also gained since they were able to prolong the war, as well as gain economically from some of the previous arms trade. The U.S. really gained nothing aside from some funds for the Contras in Nicaragua.

Iran, Israel, and the U.S. all had their reasons for getting into this deal with each other. Iran was willing to cooperate with Israel out of desperation. They were isolated,

\textsuperscript{60} Gawdat Baghat, "The Islamic Republic and the Jewish State," 525.

\textsuperscript{61} Souresrafil, \textit{Khomeini and Israel}, 121-124.
in a war, and needed spare parts for U.S. arms. Although they would refuse to have diplomatic relations with Israel, they would cooperate out of necessity to further their own goals. It is a pragmatist regime that will do anything in order to survive. Iran chose to simultaneously exploit the Israelis while increasing their rhetoric against them. They wanted to maintain long-term security as a regional power, while maintaining the ideology of their revolution. This is what compelled Iran to keep trading arms with Israel while continuing to disseminate anti-Israeli propaganda. Therefore, despite the anti-Israeli rhetoric coming from Iran, the Soviet threat and the threat of a powerful Iraq provided a reason for Iran to maintain trade relations with Israel.

Geopolitical factors were the most important to Israel, since these had not changed too much since the Shah’s era. Basically, Iran kept Iraq from being able to threaten Israel, and so Israel was satisfied. In addition, the Iran-Iraq war caused people to take sides, and while most people sided with Iraq, Syria and Libya had sided with Iran, creating a rift among the Arabs which was beneficial to Israel. Israel was facing many of the same issues as before the creation of the Islamic Republic, and therefore it is not surprising that they chose to continue relations with Iran. Their main motivations were the same, namely the threat from the Soviet Union, concern for Iranian Jews under the harsher conditions in the new Iranian regime, and also the Israeli desire to keep Iraq from winning the Iran-Iraq War. Israel did not want Iran’s military to totally collapse, and did not want a decisive Iraqi victory. It was in their interest to have both sides tied up in the
war for a long amount of time, since those two countries were at the time the biggest threats to Israel.\textsuperscript{62}

\textsuperscript{62} Gawdat Baghat, "The Islamic Republic and the Jewish State," 525.
CHAPTER 4

IRANIAN-ISRAELI RELATIONS AFTER KHOMENEI

Despite the Iranian-Israeli collaboration during the Iran-Iraq War, after the public outing of the Iran-Contra affair, the relations between the two countries took a turn for the worse as a result of a number of major regional changes. The most important of these changes included the collapse of the Soviet Union and the weakening of Iraq after the invasion of Kuwait and the subsequent invasion of Iraq by a U.S. led coalition in 1991. As a result of the new geopolitical situation, the reasons for the two countries to collaborate were no longer relevant. As mentioned in the previous chapter, during the 1980s, there were some in the Israeli government who still held on to the ideas of the periphery doctrine after the inception of the Islamic Republic in the hope that the Islamic Republic would be overthrown or that after Khomeini died, a much more moderate government would take over.

During the Rafsanjani and Khatami presidencies, Iran did in fact become more moderate in its anti-Israeli rhetoric and made overtures towards Israel and the United States. However, at the same time, it became a greater threat by default in the absence of the other threats from the Soviet Union and Arab countries. Iran was the one disseminating ideology against Israel, and could also reach Israel in Lebanon through Hizbollah. After the fall of the Soviet Union, the Arabs were no longer getting Soviet support, and Israel no longer needed Iran as a buffer against the U.S.S.R. Also, after the first Gulf War, Iraq, formerly the strongest Arab state, was no longer a threat to the Israelis. Therefore, the arguments of those Israelis who had been against supporting Iran
during the 1980s were proven right at the beginning of the 1990s. The Iranian regime did not radically change after Khomeini's death, but with the end of the Cold War and the fall of Iraq, Iran was, by default, the most powerful country in the region after Israel.

On the Israeli side, a strong propaganda campaign grew against Iran from the 1990s, at the same time that Iran was beginning to open up to the West.¹

The Periphery Becomes the Enemy

Even during the 1980s, there were other Israelis who were already beginning to argue that the periphery doctrine was outdated and that Iran was more of a threat to Israel than the Arabs. The Camp David Accords, which Anwar Sadat has signed with Egypt in 1978, led to an Israeli-Egyptian peace treaty, and as a result, the division of the unified Arab block against Israel. In addition, during and after the 1979 Islamic Revolution in Iran, there was a lot of anti-Israeli rhetoric coming from Iran. Iran was also supporting Hizbollah in Lebanon, which posed an immediate threat to Israelis. All these factors led up to the eventual termination of any relationship the Iranian and Israelis had during the previous decades.

By the end of the 1980's while Iran was still vocally against Israel, the Arab states were slowly becoming less menacing. Israel was less threatened by Egypt and Iraq who were now allied with the west. Egypt had signed the Camp David Accords in 1979, and by the 1990s there had already been a decade of peace between the two countries. Iraq was more allied with the West, which had helped Iraq during the Iran-Iraq War, and

¹ Jonathan Cook, *Israel and the Clash of Civilizations: Iran, Iraq and the Plan to Remake the Middle East*, (London; Ann Arbor, MI: Pluto Press, 2008), 41.
continued to work with Iraq against Iran. Syria was also not as strong since it had been weakened by wars in Lebanon during the 1980s.

After the fall of the Soviet Union and the U.S. invasion of Iraq during the first Gulf War, the regional environment of the Middle East was completely changed. The two main reasons for Iran and Israel to cooperate were no longer there. In fact, without their two major enemies in the region, both countries had additional resources, and a desire to gain regional supremacy. There was now an even greater reason for the two to turn on each other.

The fall of the Soviet Union was beneficial to both countries, in that it improved their regional security, but to Israel, it was also some cause for concern, because they thought the United States would have fewer reasons to support them. Israel had been a stable, Western, force in the Middle East against Communism, and in the new post-Cold War environment, there was less reason for the United States to continue support of Israel.² If Iran was able to warm to the United States, Israel would become irrelevant to the U.S. since Iran was strategically located near large oil and natural gas reserves in the Persian Gulf and Caspian Sea, was geographically close to the oil rich and newly independent Central Asian states, and had a much larger population and larger market for Western goods.³ Israel found itself in the position of having to prove its worth to the United States.

² Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 139, 148
³ Ibid., 149.
The Iraqi invasion of Kuwait was a disaster for Iraq, as the Unites States and a coalition of other countries quickly overpowered Iraq. Also, with an Arab state invading another Arab state, there was a serious blow to the idea of Pan-Arabism. It was also a problem for Israel, since the coalition of states headed by the U.S. included Arab states, but intentionally left out Israel.\textsuperscript{4} Israel was becoming a liability to the U.S. rather than an asset.

Iran was able to show that Iraq was more of a threat, and also show support for the U.S. and GCC countries in the war against Iraq. Their policy was “positive neutrality” which meant that they opposed Iraq’s actions, while not participating in the coalition. This was however, seen essentially as a pro-American policy, and the Iranians also allowed the U.S. to use their air-space and refused to help Iraq in any way.\textsuperscript{5} The moderate position on the conflict also helped Iran gain back some support from some Arab countries that were upset with Iraq and realized that Iraq had also been the aggressor in the Iran-Iraq War.\textsuperscript{6} Iran was also worried about the power vacuum created in Afghanistan after the Soviets left. The rise of the anti-Shite Taliban there was another cause for Iranian concern.

However, despite the Iranians moving towards the West, the fall of Iraq and the Soviet threat worried Israel. They had felt threatened by both Iraq and Iran, and felt that

\textsuperscript{4} Parsi, \textit{Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 140.

\textsuperscript{5} Said Amir Arjomand, \textit{After Khomeini: Iran Under His Successors} (Oxford; New York: Oxford University Press, 2009), 139.

\textsuperscript{6} Keddie, \textit{Modern Iran: Roots and Results of Revolution}, 266.
the weakening of one of those two countries would strengthen the other. Members of the Israeli government, specifically Prime Minister Rabin and his deputy Shimon Peres began organizing a campaign against Iran in 1994, and claiming that Iran was a threat to peace and stability in the Middle East. They cited Iran’s support for terrorist groups, as well as their pursuit of a nuclear program. After 2001, this campaign grew stronger.

*Iranian-Israeli Relations in the Post-Khomeini Era*

*The Rafsanjani Presidency- Overtures towards the West*

After Khomeini’s death in 1989, the Islamic Republic continued, therefore crushing the hopes of those in Israel who had hoped for a new government and a return to the periphery doctrine days. Although there was no change in government, in 1989, Rafsanjani, a pragmatist, became president of the Islamic Republic of Iran after Khomeini’s death. After the Iran-Iraq War, Iran was isolated due to its revolutionary ideology which was disliked by the Arabs, and having economic problems due to the long Iran-Iraq War. Rafsanjani attempted to move away from the more radical days of Khomeini and focus more on domestic issues. He advocated focusing on economic reform and more pragmatic foreign policy moves, such as improving Iran’s relations with the West and with the Arab governments since reaching out to the Arab street had backfired and most Arab governments had sided with Iraq during the war.  

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7 Cook, *Israel and the Clash of Civilisations*, 42.

Domestically, Rafsanjani was opposed by the more hard-line group who favored continuing the original revolutionary path which included exporting the revolution to the Arab countries and continuing strong anti-Israeli rhetoric.

In terms of the relationship to the Israeli-Palestinian issue, Rafsanjani and the more moderate group were willing to support whatever solution the Palestinians were willing to accept, and the more radical group still advocated the more activist line against Israel.\(^9\) Basically, Rafsanjani accepted the wishes of the Palestinians, including the two-state solution, but Iran did not actively support them.\(^10\)

Although the rhetoric against Israel remained the same, there were no steps taken against Israel. In essence, the fact that the Iranians did not object to the Palestinian decision to accept a two-state solution was in itself a policy of indirectly supporting the two-state solution.\(^11\) Rafsanjani also had helped release hostages from Hizbollah in November, 1991, at which point he declared that he would be willing to support the two-state solution in the Israeli-Palestinian conflict.\(^12\) However, despite these Iranian attempts to reach out to the West throughout the 1990s, the U.S. ignored these Iranian gestures.

*Israel and the United States Pursue the Arab Option*

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\(^{10}\) Ibid.

\(^{11}\) Ibid.

\(^{12}\) Arjomand, *After Khomeini*, 144.
Despite the signs that Iran was becoming more moderate in their take on the Palestinian issue, Israel felt threatened by Iran, who had come out ahead in the Gulf War. They were worried that if Iran and the Unites States were to work together, Iran would be able to impose its own order in the region.\textsuperscript{13} If the Unites States remained focused on Iraq, it would disturb the regional balance, and Iran could emerge as a military and political threat to Israel.

At this point, Israel’s strategy became focused on making peace with the dying PLO who was too weak to approach a better solution, while making Iran look like the villain in the region.\textsuperscript{14} The point was to turn the periphery doctrine on its head by getting closer to the neighboring Arab states, while portraying Iran, which is on the periphery, as the main threat. In the early 1990’s Peres and Rabin began lobbying the U.S. and the EU in order to convince them of the threat of Iran to Israel and the rest of the region.\textsuperscript{15} The idea was to turn the U.S. and others against Iran so it would not become an Israeli-Islamic conflict, but would rather convince the international community that Iran was a threat to the whole western world. Now that the Cold War was over and Israel was becoming a liability, the Israeli government had to convince Washington of another threat: Islamic Fundamentalism explicitly linked to an Iranian threat, in order to make themselves useful to the U.S. once again.\textsuperscript{16}

\textsuperscript{13} Parsi, \textit{Treachery Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 159.

\textsuperscript{14} Ibid., 159-160.

\textsuperscript{15} Ibid., 162.

\textsuperscript{16} Ibid., 170.
Israel had a number of convincing arguments against Iran. These arguments included Iran's nuclear program, as well as their support for Hizbollah. Also, the anti-Israeli rhetoric played a role, and while during the 1980's the rhetoric was largely ignored, now that Khomeini was dead, there was less willingness to ignore the incendiary statements. The rhetoric about denying Israel's right to exist was also troublesome. Although in the 1980's the rhetoric was more vocal, now with Khomeini dead and Iraq fallen, the Israelis realized that the Islamic Republic was going to stick around, and also that it was now more of a threat since it was no longer countered by Iraq.  

Despite Rafsanjani's statements that supported the U.S. and Israeli sides, Washington failed to invite Iran to the Madrid Conference in October 1991, which was held to start the peace process between the Israelis and Palestinians. Parsi says some of the reasons were that the U.S. failed to notice the more pragmatic language coming from Rafsanjani after a decade of hostility, and also the idea that Iran had nothing to do with the Palestinian issue, and also the fact that Iran and the U.S. did not have diplomatic relations. In addition, the hostage crisis was still a major sore point and it would take a long time for it to be erased from American's minds. This was a huge blow to Iran, who had been trying to reach out to the Americans, and felt it should have been invited. Other regional states, including one of Iran's only allies, Syria, were invited.

17 Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 164.

18 Ibid., 152-153.
The Iranian government was clearly offended, especially after the overtures it had made were ignored, and Rafsanjani responded by working against the peace process in 1992 and throughout his presidency. He also increased funding for Hizbollah, which had previously been decreased during the start of Rafsanjani’s presidency. In opposition to the Madrid peace talks, Rafsanjani even sponsored a “International Conference to Support the Islamic Revolution of Palestine” that was held at the same time as the Madrid conference, and invited Hamas, Hizbollah, and other Palestinian groups.\(^{19}\) Iran also increased its rhetoric against Israel. As Iran’s former gestures to the U.S. had been unreciprocated, it was seen as both futile and unpopular domestically to assist the U.S. with its Middle Eastern agenda.

The Arabs were skeptical of Israel’s intentions. They were skeptical because during the Iran-Iraq war, when Khomeini was in power and even more anti-Israel, the Israelis had helped Iran.\(^{20}\)

Iran became a threat because the previous threats had disappeared. They were not increasing their rhetoric, or increasing military spending. Israel changed its policy on Iran right when Iran was at its weakest point, soon after the eight year war with Iraq, and under a domestic controversy between the pragmatic and more conservative groups. At the same time, the Arabs also had to be convinced that Iran was a threat, although at the point Israel’s occupation of Palestine, and also their nuclear weapons were obviously


more of a threat! However, Iraq had also been a buffer against Iran for the Arabs, and Iraq was gone.\textsuperscript{21}

Later on, in August 1993, the secret Israeli-Palestinian deals in Oslo forced Iran to work with its regional neighbors who were making peace with Israel in order to make itself less isolated. However, it couldn’t risk stopping it’s ideology either, so it was in a contradictory mode in the 1990’s.\textsuperscript{22} The secret Oslo peace deals especially isolated Iran, as Israel began lobbying hard against Iran in an effort to convince the U.S. to work with them even though they were a liability, and also to convince its own public that there was someone scarier that the Palestinians.\textsuperscript{23} Iran became the new arch enemy in the absence of other regional threats, and because it was most powerful in the region. The deal in Oslo was that if the Israelis returned the occupied lands to the Palestinians, they would gain peace. Oslo helped Israel by helping it gain diplomatic relationships with a number of Arab states and ending its regional isolation.\textsuperscript{24} This made the Iranians very angry, since they were even more isolated than before, irrelevant, and it had all been done behind their back.\textsuperscript{25}

\textit{Dual Containment}

\textsuperscript{21} Parsi, \textit{Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S.}, 169.

\textsuperscript{22} Ray Takeyh, “Iran, Israel and the Politics of Terrorism,” 90.

\textsuperscript{23} Arjomand, \textit{After Khomeini}, 145.

\textsuperscript{24} Parsi, \textit{Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S.}, 180.

\textsuperscript{25} Ibid., 175.
In May 1993, the Clinton Administration announced the policy of Dual Containment, under which Iran and Iraq were under partial economic sanctions. The policy was based on the idea that the U.S. was now strong enough that it did not have to use Iran and Iraq to balance each other, it could balance both countries by itself. Iraq was under sanctions after the Gulf War, and Iran was still recovering from the eight year Iran-Iraq War, so the U.S. was really the major presence in the Persian Gulf.

In 1995, this was changed to a total embargo on trade with Iran in 1995, after the administration was faced with pressure from Congress and the pro-Israeli lobby. Rafsanjani had tried to mend ties with the U.S. again, by offering a billion dollar oil contract to the American Company, Conoco, which was stopped in Spring, 1995. In addition, the House of Representatives passed the Iran-Libya Sanctions Law, with a unanimous vote to increase sanctions and penalize non-American companies from certain trade deals with Iran.

There were a number of problems with the Dual Containment policy. For one, it created an incentive for Iran to work against the Oslo peace process. The peace process would not only isolate Iran further, it would make the U.S. even more powerful in the

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27 Ibid.


29 Ibid., 145.

Middle East. Iran was also worried that its only real ally, Syria, would also make a peace deal with Israel.

In terms of foreign policy, Rafsanjani was able to improve relations with Europe and the Arab world from 1992-1997, but his relationship with the U.S. was never good for the rest of his presidency, which ended in 1997. The main issues were opposition to the Clinton led peace processes, support for “terrorism,” and the nuclear program.

The major problems on the Iranian side were also the desire to be relevant in the region, and be a regional power as it had been in the past. Basically, it would to be isolated in the region. Internally, Iran’s government was becoming more moderate, and sadly, was turning towards the west, although the west repeatedly ignored its overtures throughout the 1990’s. In addition to this, the Hizbollah issue as well as the nuclear issue threatened Israel and their desire to be the only regional power. If they let Iran get ahead or get nuclear weapons, then they can’t go invade everyone around them like they are used to doing.

*Iran’s Support of Hizbollah*

The Islamic Republic’s support for Hizbollah and in its struggle against Israel has been another sore point in Iranian-Israeli relations. Iran does acknowledge strong ties with Hizbollah in Lebanon.\(^31\) It has also been one area where the revolution has been exported somewhat successfully, and Hizbollah is seen by some as a manifestation of Iran’s influence in the region. Hizbollah receives support from Iran in the form of moral,

\(^31\) Baghat, “The Islamic Republic and the Jewish State,” 530.
ideological, political, economic and military support. The support of Hizbollah helped Iran stay relevant in the region when other countries repeatedly isolated Iran and excluded it from regional talks.

Hizbollah is considered a terrorist group by the United States and Israel, who oppose Iran’s support for the organization. However, terrorism is not seen the same way by everyone, and the UN has still been unable to come up with an agreed upon definition of terrorism. Although the killing of civilians is horrifying in any situations, it is allowed in some situations, such as war. In the case of Hizbollah, the killings are not seen the same way by everyone. For example, Nikki Keddie has this quote regarding the case of Hizbollah:

...who were seen not only in Iran but also in much of the Third World as fighters for the liberation of Lebanon and Palestine from Israeli occupation using means available to a weak side against a militarily overwhelming one--means similar to some used in past anticolonial fights in Israel, South Africa, Algeria, and elsewhere.

Again, although the killing of civilians is deplorable, the same actions done by states in would be agreed upon as ok, and this point is debatable.

So far, the conflict between Hizbollah and Israel is the closest that Iran has come to a direct conflict with Israel. Soon after the Revolution, Khomeini increased military and financial assistance to the Shiites in Lebanon. Iran’s involvement was motivated by

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33 Keddie, Modern Iran: Roots and Results of Revolution, 268.

34 Baghat, “The Islamic Republic and the Jewish State,” 530.
a desire to spread their ideology, and they helped create Hizbollah in the 1980's by bringing together a number of Shi’a groups which resisted the Israeli invasion and occupation of Lebanon and were already present in southern Lebanon. After its founding, Iran sent thousands of Iranian Pasdaran (Revolutionary Guards) to help Hizbollah fight the invading Israelis. The Lebanese Shiites were frustrated over their political and economic marginalization within Lebanon as well as the Israeli invasion and occupation at the time. The support for the Iranian Shiite population served to show the Islamic government’s commitment to the oppressed Muslims in the world and their support of the anti-American and anti-Israeli forces in Lebanon.

The group's motivation was to improve the socioeconomic and political situation of the Lebanese Shiites, as well as to respond to the Israeli invasion and occupation of parts of Lebanon in 1978 and 1982, and the increase of ties and support for Hizbollah from Iran after the revolution. Iran also supported Hizbollah by arming them, sending money, and funding various social services such as schools, hospitals, and sanitation services, thus gaining additional local support. Although Iran has been involved with other militant pro-Palestinian groups, such as Hamas, those are generally funded by the Sunni’s in the Gulf Sheikhdoms, etc. and are not as close to Iran. Hizbollah is also

35 Takeyh, “Iran, Israel and the Politics of Terrorism,” 87.


37 Ibid., 531.

38 Ibid., 532.

39 Takeyh, “Iran, Israel and the Politics of Terrorism,” 87.
ideologically very close to the Iranian clerical regime, unlike the other groups who are mainly Sunni.

Baghat goes into this explanation on how Iran viewed the Palestinian population as separate from the PLO. Iranians wanted to form ties with Palestinian groups outside of Fatah. Also, the cooling of the relationship with Fatah had no relation to Iran’s thoughts on Israel nor did it mean Iran was cooling down threats towards Israel. Similarly, although the Islamic Republic has mostly had lukewarm relations with most of the Palestinian organizations besides Hizbollah, at the same time, it has strongly denounced all initiatives between the Israelis and Palestinians to make peace.

The opposition to the peace initiatives is based on ideology, and strategic motives. Since the revolution, the Israeli – Palestinian issue has been about global oppressive powers vs. Muslims/Islam. The U.S. has been the driving force behind many of the peace process efforts, and they are opposed to the U.S. being involved. Strategically, it would also give the U.S. more power in the region, which would be against Iran’s interests. – later on Khatami, and others saying that if Palestinians do accept the peace process, then Iran should not be against it.

After Oslo, Iranian support for Hizbollah increased after the Oslo peace accords, which had isolated Iran so much. Actually, prior to Oslo, Rafsanjani had stopped

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40 Baghat, “The Islamic Republic and the Jewish State,” 530.

41 Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S, 176.
supporting Hizbollah so much as part of his more moderate foreign policy orientation.\textsuperscript{42} Iran returned to appealing to the “Arab street” in order to make their governments look weak on Israel, and in turn, undermine the Arab-Israeli peace deal.\textsuperscript{43} Also, in the mid-1990s, a number of

Throughout the 1980’s and 1990’s Hizbollah and Israel were engaged in a war in southern Lebanon, in which neither side was advancing. Israeli society became divided over the cause due to the number of casualties, and eventually Prime Minister Ehud Barak withdrew from southern Lebanon in May 2000. The withdrawal was seen as a victory for both the Islamic Republic as well as Hizbollah because of Iran’s involvement with the group.\textsuperscript{44} In 2006, after the victory of Hamas in the Palestinian election, Iran was even happier, and felt it was in an even better position among the Arabs.

Hizbullah has allowed Iran to have some influence in the Middle East even though it is shunned by most of the official political outlets. As Hizbollah has been the only group (including coalitions of Arabs) to really fend off the Israelis, it makes Iran look better.\textsuperscript{45} Although Iran had previously just been a vocal critic of Israel, once they teamed up so much with Hizbollah, they effectively became a border state of Israel.

\textsuperscript{42} Parsi, \textit{Treachery Alliance: The Secret Dealings of Israel, Iran, and the U.S}, 176.

\textsuperscript{43} Ibid., 177.

\textsuperscript{44} Baghat, “The Islamic Republic and the Jewish State,” 532.

\textsuperscript{45} Takeyh, “Iran, Israel, and the Politics of Terrorism,” 89.
Especially, since in the mid-1990’s Iran had no weapons that could actually reach Israel?\textsuperscript{46}

*Nuclear Issue*

Since the mid-1980s, the nuclear program has been another reason for the United States and Israel to claim that Iran is a threat to the region. Iran has repeatedly claimed that its nuclear weapons program is for civilian purposes only, and not military ones.

Iran’s nuclear program began in 1957 under the Shah, with a civil nuclear cooperation agreement with the United States which called for both countries to cooperate on peaceful ways to use nuclear technology.\textsuperscript{47} With the cooperation of the Unites States, Germany, and France, they began to build up their nuclear program. Under the Shah, Iran signed the Nuclear Non-Proliferation Treaty (NPT), in 1968 and it was ratified in 1970.\textsuperscript{48} By 1979, two nuclear reactors at Bushehr were more than half-completed.\textsuperscript{49}

After the revolution, the nuclear program was stopped. Khomeini believed that nuclear weapons were un-Islamic, and besides, the Western countries working with and selling components to Iran would no longer help Iran with its nuclear program. In addition, many of the nuclear scientists left Iran around the time of the revolution.

\textsuperscript{46} Parsi, *Treacherous Alliance: The Secret Dealings of Israel, Iran, and the U.S*, 178-179.


\textsuperscript{48} Ibid., 6.

\textsuperscript{49} Ibid.
During the Iran-Iraq war, the nuclear facilities were also attacked and badly damaged by the Iraqis.\footnote{Gawdat Baghat, \textit{Proliferation of Nuclear Weapons in the Middle East} (Gainesville: University Press of Florida, 2007), 21.}

However, during the mid 1980s, Iran obtained ballistic missiles that could reach Israel, and also restarted the Shah's nuclear program.\footnote{M. Sohrabi, \textit{Treachery and Deception: The Story of the Shah's Nuclear Program}, Institute of Middle East Studies, 1994, 143.} In 1990, the Islamic Republic went further, and signed agreements with Russia and China to assist them with their nuclear program since they were unable to get Western support.

In 2002 it was revealed that Iran had two previously undeclared nuclear facilities, one in Natanz, and one in Arak. The rest of the 2000s have seen Iran, the EU and other Western countries go back and forth with the United Nations nuclear watch-dog, the International Atomic Energy Agency, go back and forth on inspections of the nuclear facilities, and whether or not the program is for peaceful purposes.\footnote{http://www.iaea.org/NewsCenter/Focus/iaeaIran/index.shtml. This site contains all the reports on the inspections in Iran and Security Council statements.}

Although its nuclear enrichment program has been a source of tension with the international community, there are also a number of pragmatic reasons for Iran to continue its nuclear program. First, its neighbors were both taken over by the U.S., one of Iran's enemies. In addition, another neighbor, Pakistan, has nuclear weapons as does Russia to the north of Iran.

Finally, Israel also has had nuclear weapons since the 1960's and is the only country in the Middle East to have nuclear weapons capability. However, the Israeli
government has never acknowledged possessing nuclear weapons, nor has it published any account of its nuclear programs or testing, etc.\footnote{Baghat, “Iran, Israel and the United States: The Nuclear Paradox,” 4.} Additionally, since Israel never signed the Nuclear Non-Proliferation Treaty, it has not been subject to inspections of its nuclear program. Israel has worked against any Middle Eastern country that has tried to attain nuclear weapons. As mentioned earlier, in 1981, the Israelis struck the Iraqi nuclear plant at Osirak without the consent of any international body. The possibility of an attack from Israel remains for now.

\textit{Khatami Presidency}

Khatami has been the most moderate president since 1979, and his time as president was characterized by an opening up to the Arab states and the European Union, as well as promoting what he called ‘dialogue between civilizations.’ Khatami and other reformists knew that the abrasive rhetoric had led to Iran’s isolation, and hurt Iran both politically and economically.\footnote{Takeyh, “Iran, Israel, and the Politics of Terrorism,” 90.}

Khatami returned to the more moderate position on the Arab-Israeli peace process, and under his presidency, a spokesman from the Foreign Ministry said that Iran “will in no way interfere with the decisions of Palestinian groups. We respect all decisions taken by the majority of the Palestinians.”\footnote{Ibid., 92.} Basically, Khatami went back to the early Rafsanjani position of not interfering in the peace process, but not actively working towards it either. Although Iran never recognized Israel during this time, by
having representatives of the government openly agree to a two state solution, they were indirectly recognizing the right of the Jewish state to exist. Although this may not seem like much, it was a huge step for the Islamic Republic. Iran realized that if all the Arab states had a consensus on the peace process, it was against the Iranian interests to stand alone on this issue. Despite this huge step, Iran’s continued funding for Hizbollah was a sore spot between Israel and Iran.

September 11, 2001 and the subsequent axis of evil comments halted any chance of a reconciliation between Iran and the U.S. Despite this, Iran was very cooperative in the U.S. campaign in Afghanistan. Iran even proposed to help rebuild Afghanistan under the U.S. leadership, but the offer was rejected. Towards the end of Khatami’s regime, during Pope John Paul II’s funeral in Spring 2005, Khatami and his Israeli counterpart Moshe Katsav shook hands and spoke together briefly in Persian on their shared city of birth, Yazd. This caused controversy and criticism for both political figures, in Israel, as well as in Iran. This short incident represents the tense relations between the two countries, and the inability of the Iranian leaders to reach out towards Israel, or for Israelis to reach out to Iran as a result of the ideology and public opinion in both countries.

56 Takeyh, “Iran, Israel, and the Politics of Terrorism,” 93.

57 Arjomand, After Khomeini, 147.

58 Ram, Iranophobia, 8-9.
Ahmedinejad Presidency

Soon after, Mahmoud Ahmedinejad was elected in the summer of 2005 and represented a radical change from the previous administration of the moderate Khatami. His presidency so far has been characterized by a number of regional tensions, including Iran’s involvement in Iraq, in Lebanon, the pursuit of the nuclear program, as well as Ahmadinejad’s famous anti-Israeli statements and remarks about the Holocaust being a myth. These factors have made him unpopular with the Israelis and Americans and made many nations wary of dealing with Iran.

Ali Ansari argues that Ahmedinejad does not have a pragmatic policy but is a person who “seems to relish international attention whatever the consequences.” Ansari also argues that his policies show an obsessive religiosity and of course a special animosity towards Israel. Ahmedinejad repeatedly speaks out against Israel for no apparent reason other than to gain attention and alienate the West, and the only positive outcome for him is to gain some credibility with the Arab public opinion. For example, he crossed the line with his “World Without Zionism” conference in which he invited many dubious guests, including neo-Nazis, and also his statements that the Holocaust was a ‘myth’ put about in order to justify the creation of Israel have been detrimental to Iranian interests. It is important to remember however that Iran has an extremely complicated political system that is not really controlled by the president, but the


60 Ibid.
Supreme Leader, Khamenei. However, Ahmadinejad’s comments were extremely damaging for opportunities for diplomacy, as no one is willing to deal with Ahmadinejad and associate themselves with his comments. Although Ahmadinejad may be popular with Arab civilians who are unhappy with their governments, those Arab governments who have or are trying to work with Israel are staying away from Iran, making it even more isolated.  

Although Ahmadinejad has taken the statements to the extreme, the ideology against Israel is something Iranian leaders cannot really abandon. The hardliners see it as an important part of revolutionary valor and ideological purity and a central part of Khomeini’s vision. For the same reason, even moderates cannot let go, they would have to pay a great political price for that, and sacrifice a crucial part of Khomeini’s vision. Ahmadinejad echoed the statements from Khomeini and more conservative elements of the government, but has alienated most governments, and furthered Iran’s isolation.

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61 Takeyh, “Iran, Israel, and the Politics of Terrorism,” 94.
62 Ibid., 92.
CHAPTER 5

CONCLUSION

Iranian-Israeli relations have varied greatly over the years, based on the Iranian and Israeli regimes and the regional and international climates of the times. However the main turning point between covert dealings based on common interests, and a hostile regional power race has been the extent to which Iran and Israel can agree on common threats and their usefulness to each other. In the absence of the greater common threats, Iran and Israel are only left with each other as adversaries. Secondary to this is the ideological aspect, under which Iranians cannot openly accept Israel, for both regional and domestic reasons.

During the Shah’s era, the periphery doctrine kept the two countries on the same side of regional and Cold War struggles. The Western alignment of both countries, along with the common threats of the Soviet Union and the unified Arab bloc kept the two countries working together. Although Iran was unwilling to formally recognize or support Israel publically, they did have some secretive deals that were mutually beneficial.

After the Revolution, the hold of the periphery doctrine was weakening, but held enough sway among some Israelis that arms deals occurred despite the anti-Israeli remarks that came with the new government. However, after a number of geopolitical factors came into play, the periphery doctrine was no longer useful, and Israel would no longer court Iran. The beginning of this was the break-up of the unified Arab bloc which started with the Egypt-Israeli peace treaty in 1978-1979. After that point, the anti-Israeli
rhetoric coming from Iran, as well as more amiable or weaker Arab neighbors made Israel turn away from Iran. The final death of the periphery doctrine was the end of the Soviet Union, and the fall of Iraq, which eliminated both of the two countries major opponents.

Since this point, Iran and Israel’s relationship ended, and Israel successfully worked with the U.S. to further isolate Iran in the region despite some efforts by Iran to make overtures towards the West. As Iran has become increasingly more isolated, it has also worked harder to gain relevance in the region. Through anti-Israeli rhetoric and support of Hizbollah, Iran can gain relevance in the region and win Arab popular opinion. Currently, after two decades of being practically the only powers in the region, there is complete hostility. Iran is more isolated than ever as sanctions from the U.S. continue to increase, as recently as this month.

The new ideology after the revolution was a break from the Shah’s Western orientation and included an Islamic ideology which incorporated anti-Imperialist, anti-Western, and anti-Zionist components. Since Israel was viewed as a source of imperialist, anti-Muslim oppression, it remains a topic that had little room for deviation. This ideology, especially concerning the anti-Israeli rhetoric, holds such an important symbolic role, that it is impossible for any ruler of Iran to really change this rhetoric very much. Although Rafsanjani and Khatami have both said that Iran should accept the solution that the Palestinians agree to concerning Israel, which is significant, although neither of them could go further than that. Domestically, it is necessary of all leaders, and regionally, it keeps Iran relevant in the regional arena by making them popular with
the Arab locals. The anti-Israeli rhetoric has been such a cornerstone of the ideology that they cannot turn back on the rhetoric too much. Despite the strength of the ideology, the Islamic Republic has acted in a realist fashion on numerous occasions. For example, soon after the revolution, Iran bought arms from Israel during the early to mid-1980s despite continuing its anti-Israeli rhetoric at the same time.

As the history of the past sixty years has shown, the relations are always influenced by the geopolitical and international factors affecting both countries, as well as to a lesser extent, the ideological bent of the ruling regime, which determines how far the regime is willing to work with Israel. Domestically, in Iran, there has always been the tension between pragmatic policy and ideology. Although the Shah had more contact with Israel, he only gave Israel de facto recognition and was never public about his relationship with Israel.

From studying the history and foreign policy of both countries, it is evident that the disagreements between the two are more geopolitical than ideological. Iran has not acted on ideology, despite spreading a lot of rhetoric over the years. It is clear that its actions have been more pragmatic than ideological. Similarly, Israel has also mostly ignored Iran’s rhetoric and in a pragmatic way.

*The Future of Iranian-Israeli Relations?*

Right now, the United States and Israel stand firmly against Iran, which has been spurred by its nuclear aspirations. Iran is hesitant to comply fully with the IAEA, and continues to affirm that its nuclear program is for peaceful purposes. Israel, is certainly
nervous about this, and it is unclear if Israel would really attack the Iranian nuclear facilities without U.S. consent as it did to Iraq in 1981.

If Iran does attain nuclear weapons, it would mean a number of things for the region. First, Iran would be able to adopt a more aggressive foreign policy approach, which worries Israel, which currently has the upper hand as the only nuclear power in the region. Additionally, it could start an arms race among the other countries in the region, which Israel is scared of as well.\(^1\) For these reasons, among others, Israel feels that it needs to stop a nuclear Iran at all costs.

Both Iran and Israel have a lot to gain from reconciling with each other, and a lot to lose if war breaks out. A large scale war in the region would probably destroy both countries and be unpopular in the region. In order to reconcile or at least reach a détente, steps need to be taken on both sides. On the Iranian side, Iran needs to build confidence with its neighbors, and recognize the role the U.S. plays in the region, and that it must open discussion with the U.S.. Also, it must halt its opposition to the Israeli-Palestinian peace process, and halt or open its nuclear weapons program to the IAEA. The new administration in Washington has tried to open talks with Iran, and Iran has not responded very positively. Opening talks in this way could give Iran the chance to open trade and other types of channels with the U.S. in times when its internal economy is suffering.

The steps that Israel can take are to refrain from bombing Iranian nuclear facilities, and to ease opposition to the U.S.-Iran talks. If Israel does attack Iranian

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\(^1\) Baghat, *Proliferation of Nuclear Weapons in the Middle East*, 28.
nuclear facilities, there would be a huge backlash in the region, with the Arab countries potentially turning on Israel. Additionally, it would strengthen the regime internally, as Iranians may rally around the government if Iran is attacked. In addition, Iran has the ability to retaliate an attack on Israel. None of these scenarios is ideal, and both countries would have more to gain by decreasing the threatening behavior rather than escalating the situation into continued violence.

Iran's adherence to the anti-Israeli ideology as well as their support of Hizbollah are other issues that will affect relations with Israel. Although Iran may not formally recognize Israel anytime soon, if Iran can tone down the rhetoric as it has in the past, under a new president, negotiations could go forward and lead towards more normalized relations with Israel, and perhaps eventually even lead to more peaceful relations.
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