GERMANY-ISRAEL STRATEGIC FORUM



# 9<sup>th</sup> Germany-Israel Strategic Forum













## **Table of Contents**

Contents / Strategic Forum 1
Introduction 2
Conclusions & Recommendations 3

4

8

11

# THE CHALLENGE OF IRAN

Return to the JCPOA or a new approach?

## INNOVATION IN DEFENSE AND SECURITY

Challenge and opportunity?

### SUMMARY 9TH STRATEGIC FORUM

Key insights, assessments, and policy conclusions.

Bibliography 15

## Germany-Israel Strategic Forum

Established in 2013, the Germany-Israel Strategic Forum is an annually held roundtable format that brings together decision-makers from Israel and Germany to discuss topics of shared interest related to foreign and security policy.

Every year, 30 senior German and Israeli policymakers from the ministries of foreign affairs and defense as well as members of parliament, experts, and public opinion leaders attend this exclusive discussion format.

The Forum enables its participants to share ideas outside of official meetings and beyond the constraints of formal intergovernmental relations. It fosters effective exchange and trusted professional relationships that endure beyond the annual strategic dialogues, making the Forum to an effective tool for the German-Israeli relations

#### **Publishers:**

**ELNET Deutschland** 

Albrechtstraße 22 / 10117 Berlin www.elnet-deutschland.de

Federal Academy for Security Policy

Schlossanlage Schönhausen Ossietzkystraße 44/45 / 13187 Berlin www.baks.bund.de/en

© ELNET Deutschland, 2021. All content (texts, images and graphics) are protected by copyright. Unless otherwise indicated, the copyright lies with ELNET Germany. The further use of the document and parts of it for research and educational purposes is only permitted if it is legally labeled.

Forum of Strategic Dialogue

Harakevet 58 | 6777016 Tel Aviv www.f-sd.eu

Konrad Adenauer Stiftung

Klingelhöferstraße 23 10785 Berlin www.kas.de/en/home

### GERMANY-ISRAEL STRATEGIC FORUM

## Introduction

Germany and Israel face a number of joint strategic challenges. As the United States is continuing its foreign policy course, which requires Germany and the European Union (EU) to step up its own commitment, especially in the immediate vicinity, Israel and Germany should cooperate even closer.

Meanwhile, the Middle East has seen several dramatic changes over the past few months. The Abraham Accords should certainly be mentioned in a positive sense. The resulting normalization between Israel and the United Arab Emirates, Bahrain, Morocco, and Sudan creates new opportunities for a strategic economic and security architecture in the region.

Germany and the EU have been a spectator of these developments. No strategy of its own has yet been developed. This means that key opportunities remain unutilized to position legitimate interests and influence developments. The Strategic Compass, a new security policy document of the Union that is currently being written, seems promising.

In this context, it is also important to find a common European position vis-à-vis Iran. The state is striving for a military and political hegemonic position whose sphere of influence has the medium-term potential to extend from the Hindu Kush to the Eastern Mediterranean and from the Gulf of Aden to the Caspian Sea. The Iranian nuclear program is a key factor in this.

The Joint Comprehensive Plan of Action (JCPOA), conceived as a strategy to prevent Iran from acquiring a nuclear weapon, is widely considered to have failed. In June 2020, the United Nations confirmed that Tehran has now violated all of the provisions of the agreement. In addition, talks to revive the treaty have been on hold since the recent Iranian presidential elections and are now set to resume

on November 29, 2021.
Germany, being one of the key EU members, is now in a position to take the lead, helping to secure a more stable Middle East.

After sixteen years in power, the Merkel era comes to an end. The presumably future government coalition has already announced in a first paper that it, too, wants to adhere to the premise that Israel's security is a German reason of state. However, it is yet to be defined what this will mean in Realpolitik. A new government in Berlin and a government still young in power in Jerusalem means new opportunities to create even stronger relations.

Common challenges also mean common opportunities. Germany and Israel have been working together trustingly for many years, particularly in the field of defense. However, a spirit of innovation is now also required here. Potential dangers, such as ballistic missiles, can be addressed together, while space offers almost endless expanses and possibilities that can be explored together.

The 9th Germany-Israel Strategic Forum is dedicated to these topics. The European Leadership Network (ELNET), the Federal Academy for Security Policy (BAKS), the Forum of Strategic Dialogue (FSD), and the Konrad Adenauer Foundation (KAS) proudly host this forum together and in close collaboration, to further strengthen the German-Israeli relations.

This brochure serves as basis for the discussions to be held at the 9th Strategic Forum. The organizers give an overview of the current state of affairs regarding the topics to be discussed. It is also a summary of key insights, assessments, recommendations and policy conclusions from the 9th Germany-Israel Strategic Forum.





# Conclusions & Recommendations of the 9th Germany-Israel Strategic Forum

## Europe's Role in Addressing the Iranian Challenge

- Israelis expressed grave doubts about the direction of appeasement in which the diplomatic process with Iran might be going, as well as gave warnings with respect to using military options if all else fails. At the same time, German stakeholders were cautious about discussing military options in order to give the diplomatic process enough time and space to function.
- ► The interests of both Israel and Arab states should be considered in the nuclear negotiations.
- Iran's growing threat demands stronger international coordination on containment of Iran and its proxies.

## Innovation in Defense and Security

- The global race for advanced technologies in cyber, space, Artificial Intelligence, and unmanned capabilities, demands sharing of technologies and capabilities between like-minded states. Germany and Israel should explore ways to deepen cooperation in advanced technology fields (cyber, space, AI, and unmanned capabilities), along with the U.S. and the EU as partners.
- ► The two sides should build on synergies between Israel's agile tech innovation eco

- system and German strengths in engineering. In addition to the defense sector, these should also be applied to other highly urgent issues such as climate change.
- There is a need to focus on the wider implications of the shift to private sector-led technological development and the growth of cyber warfare, including the global proliferation of threats and the emergence of new normative challenges.



# The Challenge of Iran: Return to the JCPOA or a new approach?

The Joint Comprehensive Plan of Action (JCPOA) was intended to prevent Iran from acquiring a nuclear weapon. The agreement was the result of negotiations between Iran and the permanent members of the UN Security Council — China, France, Russia, the United Kingdom and the United States — as well as Germany and the European Union.

Assessments of the Iran nuclear deal varied depending on the perspective. The last US administration,<sup>2</sup> as well as a large portion of Israeli policymakers,<sup>3</sup> considered the JCPOA to be faulty and inadequate to sustainably curb Iran's ambitions in terms of regional supremacy, including the annihilation of Israel.<sup>4</sup> The European partners of the agreement argued that, while no single agreement would be enough to completely contain Iran, the JCPOA was still suitable for achieving the primary goal of preventing Iran from acquiring nuclear weapons.<sup>5</sup> There were hopes that the agreement would generally improve relations with Iran.<sup>6</sup>

By now, the agreement is considered a failure for the most part. In June 2020, the United Nations confirmed that Tehran was, by that point, violating all of the restrictions from the agreement. On the one hand, the failure of this agreement can hardly be regarded as justification for an exclusively negative assessment of the JCPOA. Due to the United States' early withdrawal in May 2018, the agreement barely had the chance to take effect as the Europeans had hoped. On the other hand, Iran's expansionist behaviour prior to the US withdrawal from the agreement contradicts the European notion that the agreement would be a step in building confidence. Iran's extensive involvement

in Syria, Lebanon, Yemen, etc. was made possible by factors such as the increased leeway (also in financial terms) it gained through the JCPOA. In fact, Iran pursued its aforementioned ambitions even more actively. In this sense, the agreement counteracted the peace and containment efforts of at least the Western states even in the short period of its full validity. Ultimately, this results in the dilemma that confidence can hardly be built without an agreement, while a limited agreement can also lead to a loss of confidence.

After Joe Biden was elected president, the new US administration did declare its readiness to seek dialogue with Tehran concerning a possible restoration of the agreement. However, after the talks were resumed in Vienna in April 2021, they stalled once more when hardliner Ebrahim Raisi was elected Iranian president in June. After a long pause in the negotiations, the US State Department recently announced that nuclear negotiations will resume at the end of November.<sup>8</sup>

It is however questionable how realistic the prospect of reviving the JCPOA is without extensive concessions by the West that would threaten stability in the Middle East in their own way. It will hardly be possible to reverse the advances that Iran has made in uranium enrichment, which are described below. On top of this, it must be assumed that the Iranian government would demand a high price for any concessions. This in turn could have consequences for other arenas outside the main conflict with Iran, which neither Israel nor the Arab countries competing with Iran would accept.

#### **Key challenges**

#### Nuclear armament

The JCPOA's primary goal was to prevent Iran from acquiring nuclear weapons. The large-scale accumulation of enriched material,<sup>9</sup> the December 2020 decision by the Iranian parliament to enrich uranium to the level of 20 percent<sup>10</sup> and the latest decision from April 2021 to further enrich it to 60 percent<sup>11</sup> leave



little doubt that Iran is continuing in its efforts to build up military nuclear capabilities. Contrary to recent assurances, the Iranian government also continues to block the full monitoring of its nuclear programme by the International Atomic Energy Agency (IAEA).<sup>12</sup>

The consequences of the theocratic regime in Tehran acquiring nuclear weapons would be devastating. Not only would it subject all of Iran's neighbouring and adjacent countries to permanent life-threatening danger, but it would also make it virtually inevitable that these countries acquire nuclear weapons in response. This would trigger an arms race that, given the multitude of conflicts in the region, would make a nuclear exchange seem possible. Europe would be affected both directly and indirectly by such developments.

Israeli voices in particular point out that the Cold War logic of deterrence cannot be relied upon in the case of the fundamentalist Iranian regime. Iran's willingness to sacrifice, which it already demonstrated during the Iran-Iraq War, makes these objections seem plausible.<sup>13</sup>

#### Missile programme

The precise missile strikes on US military installations in Iraq in retaliation for the killing of General Qasem Soleimani in early 2020 can also be seen as evidence of the advanced status of the Iranian missile programme. Iran now has at its disposal the largest arsenal of short and medium-range missiles in the entire Middle East. These capabilities are considered to be particularly important based on the experiences gained during the war against Iraq. The development of modern cruise missiles and intercontinental ballistic missiles has clearly advanced considerably.<sup>14</sup> Iran already has models that could easily reach Israel or even Southeast Europe. Further development of ballistic delivery systems being carried out with the help of Russian, Chinese and North Korean experience and technology is another cause for concern.<sup>15</sup>

#### Regional destabilisation and support of terrorism

The Iranian regime's regional activities are geared towards objectives such as increasing the pressure on Arab states in the region and on Israel. Within this context, terrorist organisations such as Hamas in Gaza and Hezbollah in Lebanon receive financial, logistic and sometimes military support. 16 In addition, Iran supports further militias in Iraq<sup>17</sup> and is strongly suspected of supporting the Houthi rebels in Yemen.<sup>18</sup> The latter enabled Houthi rebels to conduct efficient attacks on oil production facilities in Saudi Arabia. 19 Together with other factors such as aggressive activities against international merchant ships in the Persian Gulf<sup>20</sup> and interference in the domestic affairs of Iran's direct neighbours, 21 Iran's proxy strategy reinforces the view of an acute threat for the region and beyond.

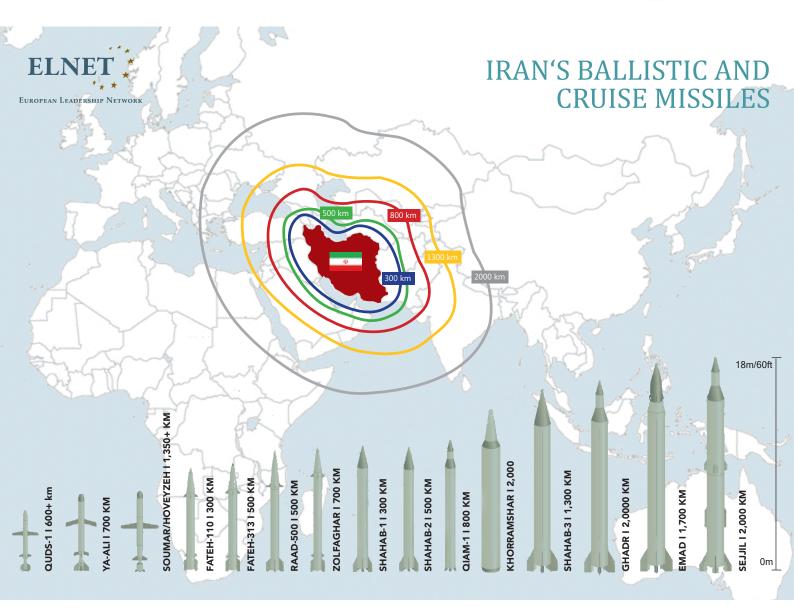
Providing military capabilities and capacities to terrorist organisations in Gaza and Lebanon also leads to a direct military threat to Israel. The massive expansion of Hezbollah's rocket arsenal in southern Lebanon<sup>22</sup> and Iran's support of its modernisation<sup>23</sup> greatly increase the risk of war. The expansion of Iran's military presence in Syria and the strengthening of its role as part of the stabilisation process in the civilwar-torn country also constitute a security problem for Israel.<sup>24</sup> So far, Israel has been able to prevent the establishment of a critical Iranian military capacity in Syria. In this context, Israel has communicated several times that it would not tolerate an Iranian military presence at its borders under any circumstances.

#### Conclusions

At the moment, a comprehensive agreement to solve all of the problems presented hardly seems feasible in light of the complex geostrategic situation and the multitude of players involved. Instead, what is needed is a holistic strategy for dealing with Iran in order to take effective action against the looming threat of a nuclear arms race, Iran's missile programme and its proxy strategy. This is the only way to secure or expand the stability of the region — a necessary basis for







peace and economic prosperity. In addition to diplomatic means, this strategy must also include economic and military sanctions mechanisms that are clearly communicated to Iran. Beyond that, there must be no doubt about the Western negotiating partners' resolve to actually apply these mechanisms.

Europe and the US should cooperate closely on this matter and jointly promote the formulation of a comprehensive Iran strategy. This issue also offers the opportunity to return to better transatlantic relations and demonstrate the West's unity in the face of its

authoritarian rivals. To date, the US administration under Joe Biden still aims at restoring the JCPOA. However, it remains unclear how these efforts can succeed without merely shifting or deferring the security problems in the Middle East for a short time. Europe and the US must therefore seriously consider the possibility of restoration of the agreement failing and develop an alternative strategy in order to effectively address the challenge of Iran.

When formulating this joint strategy, they must avoid one mistake made in the currently unsuccessful



JCPOA right from the start. Israel and the Arab states in the region must be actively involved from the very beginning. A new diplomatic attempt to handle Iran must not succumb to the temptation to once again take decisions over the heads of the regional players. This requires constant and honest exchange with the affected countries. It also requires that the parties involved be open to the worries of these countries. Iranian threats and annihilation fantasies must be taken seriously in this context and not be dismissed as rhetoric motivated by domestic political agendas. Against the backdrop of its own history, especially Germany should be aware that such reasoning would fail to convince a Jewish state. Accordingly, Iran distancing itself from its goal of annihilating Israel must be an

inherent part of any strategy and the agreements resulting from it.

Finally, it should be noted that any strategy regarding Iran must also include acceptable options for the current Iranian leadership. It must be credibly conveyed to Iran that containment of its activities in the area of the aforementioned challenges is aimed at deescalating in the region and not intended to come at the cost of Iran's security. If it abandons its expansionist, aggressive foreign policy, Iran should receive reliable security guarantees. Only in this way can a sustainable solution to the conflict be achieved.

This paper was contributed by ELNET-Germany

#### RECENT DEVELOPMENTS

On 6 April 2021, talks with Iran to restore the nuclear deal of 2015 started in Vienna. Delegations from China, France, Germany, the UK, Iran, Russia and the US participated in the talks. However, the negotiations were once again conducted without neighbouring states that are directly affected by the agreement and immediately threatened by Iran. Since the Iranian presidential election in June 2021, the talks were suspended once again.

In the run-up to the renegotiations, German Federal Minister for Foreign Affairs Heiko Maas had called for an expansion of the JCPOA to include regulations restricting Iran's ballistic missile arsenal. Such a "JCPOA+" might have been able to partially allay the fears of the Arab states and Israel concerning Iran's hegemonic ambitions. As recently as December 2020, Maas said: "A return to the previous agreement will not suffice".25

However, since US Secretary of State Anthony Blinken's meeting with the E3 nations France, Germany and the United Kingdom in Paris on 18 February 2021, the German government has not brought up this stance again. This concession already represents a considerable achievement for the Iranian side, with the result that sustainable stability cannot be ensured in the Middle East.<sup>26</sup>

So far, the German government and the U.S. government continue to aim at restoring the agreement. Iran has also shown its willingness to continue the negotiations, which are set to resume at the end of November. As a result of the growing threat by Iran and the dwindling chances of revitalising the agreement, the US is now openly discussing a possible plan B with the Israeli government.<sup>27</sup> In this regard, Israel has made it clear that it will not shy away from a military solu-

tion. In discussions with the US, Israel's Minister of Foreign Affairs Yair Lapid emphasised that there are moments "when nations must use force to protect the world from evil". 28

It remains uncertain whether the resumption of negotiations in November will actually bring about a return to the agreement. The Iranian regime makes the lifting of the sanctions a prerequisite for this. Moreover, Iran demands further safeguards for the long-term preservation of the agreement to ensure that the USA would not again withdraw from the treaty if there was a change of government. Experts also suspect that the Iranian government is not actually willing to achieve an agreement, but it's rather another tactic to delay the process and to avoid further sanctions.29



# Innovation in defense and security

Technological innovation in the defence realm is a continuous challenge for military planners. New technologies offer opportunities for military operations, but they also create new vulnerabilities, can raise ethical and moral dilemmas, might undermine existing military capabilities, and thus can have a decisive impact on armed forces' ability to fulfil their tasks. Although armed forces (particularly in the western world) have a long history of closely following technological change and investing in technological innovation, the challenge has become more demanding in recent times.

Technological change has sped up significantly, with ever-faster development and introduction – but also ever faster obsolescence times. And technological competition, not only in the military but also in the civilian realm has become a significant element of global great power competition.<sup>30</sup> Finally, the challenge is exacerbated by the fact that whereas for many decades, state- and military-funded research used to play a decisive role in western technology development, more recently, the private sector has taken on a greater role. This means that states are less able to drive and shape research agendas.

Given these developments, there is a an ever-greater interest in finding out which new technologies are likely to have the most significant impact on the defence and security realm, and how armed forces can adopt them in the most effective and innovative ways. At the same time, activists, scientists, and increasingly policy makers, are raising ethical and moral concerns related to some of the new technologies currently in development.

#### Emerging and disruptive military technologies<sup>31</sup>

Even though military technologies seem to be on everyone's mind at the moment – they are being dis-

#### **AUTHOR'S REMARK**

Today, there are several new technologies that are likely to influence military power. Before considering their impact, however, two warnings are in order.

First, technology is not all. A lot of attention is currently focused on emerging and disruptive technologies. But research in past military innovations shows that what matters for a military technology's impact is not just the technology, but how it is used. For a new technology to have a significant impact, states need to implement

novel doctrines and organisational principles. For example, tanks were on the battlefield already in 1916. But tanks did not show their military potential until the Second World War, during which the Blitzkrieg doctrine combined the use of radios with a novel way of deploying tanks as independent units, allowing Nazi Germany to break through French defences in a matter of days. Therefore, one needs to be careful not to automatically equate technological leadership with military success.

Second, as impactful as military technologies can be, they rarely substitute for size, and (combat) experience. In the military realm, quantity has a quality of its own. Large armed forces with substantial funding are likely to remain overall more powerful than smaller forces using new technologies — but technological innovation can still help shift balances of power, especially in limited wars. Thus, as impactful technological innovation may be, one should be careful not to consider it a panacea.



cussed under the headings "emerging", "disruptive" or simply "new" technologies – there is no commonly shared agreement as to which technologies fall in this category. The following gives an overview of some of the technologies expected to have most impact.

Unmanned aerial vehicles, or drones, have received a lot of attention in recent years. Their development dates to the last century – Israel, a leader in the field, established its first drone squadron already in 1971. But they played a particularly important role in the 'war on terror' of the early 2000s. More recently, drones, including armed drones, have proliferated to the point that they are now on battlefields all around the world. And the 2020 Nagorno-Karabakh conflict demonstrated that there is a role for drones beyond asymmetric wars. Azerbaijan fielded several Turkish and Israeli drone systems and demonstrated their usefulness in a conventional, inter-state confrontation. While today's generation of drones is unlikely to be the decisive factor in a full-blown military conflict, they can markedly boost the air power of states (or, indeed, 'non-state actors') and their airborne capabilities.

After almost two decades during which the United States and Israel held the monopoly over armed drones, in the last few years, several new players have arisen. Turkey and China most notably have invested significant resources in the creation of domestic drone industries, and have also fuelled international proliferation by exporting drones to states around the world. Differences in drone arsenals can be quite substantive: Turkey now has an estimated 140 armed drones, while the overall more developed armed forces of the UK or France have only 10 and 12 systems respectively — and Germany has none, despite a long-running debate<sup>32</sup> about whether to lease five armed drones for its air force.

Accompanying the global proliferation of drones is a rise in counter-drone systems. States are developing, testing, and deploying a variety of anti-drone systems which, broadly speaking, use three ways to down a drone – kinetic means, electronic means, or interception. The first involves shooting drones down with bullets, rockets, or similar munitions. The sec-

ond, electronic solutions, is currently the most promising. It requires the capability to jam or interrupt the signal between the drone and its operator. A more advanced version of this approach is to hack into the drone and to take command of it. Lastly, there are several ways to physically intercept drones. For instance, one can use drones to fight other drones, or can down them with the kind of shoulder-mounted net-throwers that could be observed at several high-level political meetings this year (though these latter capabilities are more relevant to the civilian context than the military one). While anti-drone systems do not directly translate into military power, the inability to defend oneself against drone attacks can have devastating consequences and create significant vulnerabilities. But, for now, states have not found one single and (cost-) effective capability that can counter most drones, let alone all of them. In this environment, even relatively small and basic drones can pose a significant threat.

Cyber is another area widely expected to upend traditional power balances, with the proverbial teenager in their bedroom able to hack state institutions. Although such attacks are possible, most substantial cyber power still lies with states, specifically those willing to invest resources in the requisite capabilities. Harvard University's Belfer Centre "National Cyber Power Index" measures 30 countries' cyber capabilities. It assesses that the top ten most comprehensive cyber powers are the US, China, the UK, Russia, the Netherlands, France, Germany, Canada, Japan, and Australia.

However, states' performance varies a great deal across these indicators. Israel ranks on place 11 overall, but gets high marks for information control, intelligence, and offensive cyber capabilities. The Belfer Centre classifies Israel as one of the countries "actively signaling to other states that they intend to develop their cyber capabilities but have either a) not publicly disclosed their capabilities (through stated or demonstrated means), or b) do not currently have the capabilities at hand to achieve their cyber goals." Anecdotal evidence suggests impressive Israeli capabilities in some areas: When the US government,



following a terrorist attack in California in December 2015, wanted to break into one of the terrorist's iPhone, it could not do so – and the phone's manufacturer, Apple, refused to bow to pressure and provide a back door into the phone's operating system. The FBI finally hired a private Israeli firm, which used a technology unknown to the FBI to break the phone's encryption.<sup>34</sup> Germany, in the Belfer ranking reaches place 7 overall, with comparatively high marks in surveillance, offence, and norms.

After many years during which the focus was to keep space from militarisation, more recently, many actors are building up their space capabilities by sending new satellites into orbit and creating (earth-based) space commands. As of 2021, the leading space powers are the United States, with 218 military satellites, a space force and counterspace capabilities, China, with 125 satellites, and Russia, with 102 satellites. Germany and Israel have seven and eight military satellites respectively.

Another promising (but hard-to-measure) area of military technological development is artificial intelligence (AI), which can enable and support activities in everything from logistics to autonomous weapons, cyber warfare, and disinformation. These capabilities include offensive and defensive front-line and support systems. Military experts agree that states will increasingly use AI in the military realm, and that this will have important implications. However, their assessments of what these implications will be run from maximalist statements that AI may "alter the immutable nature of war", or that AI changes "the psychological essence of strategic affairs", to less extreme views that focus on more specific and limited changes in weapons technology. In recent years, the maximalist reading has taken hold in US circles in particular, with the US National Security Commission on Al warning that the US "will not be able to defend against Al-enabled threats without ubiquitous Al capabilities and new warfighting paradigms."35

Al-enabled autonomy has received particular attention, and raised concerns among activists. Formally known as "lethal autonomous weapons systems"

(LAWS), "killer robots" have captured the public's imagination. These systems can carry out the critical functions of a targeting cycle in a military operation, including the selection and engagement of targets, without human intervention. This means that they rely on AI to make decisions rapidly and without human involvement – that is, autonomously. Many activists, ethicists, and policy makers worry that delegating the decision over life and death to machines might lower the threshold for going to battle, is unethical, and could start a global AI arms race. AI-experts around the world have spoken out against the use of AI in lethal autonomous weapon systems, worried that their development might tarnish the whole AI field.<sup>36</sup>

For now, such systems are rare, but autonomy has become one of the most significant growth areas of Al-enabled systems. An ever-growing number of systems are being developed which are at least partly autonomous, including by Israel, which manufactures and sells so-called "loitering munition". At the United Nations in Geneva, discussions over a potential ban of such systems are ongoing. So far, these efforts have had limited success.

#### **German and European plans and interests**

The majority of European states tend not discuss military, and military technology questions publicly. For example, of the 21 national AI strategies published by EU member states, only a handful discuss the topic of military implications of AI. Even larger states such as Italy, NATO's fifth-largest defence spender, do not engage with the topic of military applications of AI and what they may mean for the future of military operations or alliance interoperability.

The most notable outlier in the European discussion on Al-enabled military systems is France. In its national Al strategy, France displays a clear interest in military Al. The French strategy designates defence and security as one of its four priority Al sectors for industrial policy. In 2018, the French Ministry of Defence (MoD) announced that it planned to invest €100m per year in Al research. In September 2019, France



became the first European state to publish a strategy specifically on military AI. The 34-page document written by the MoD outlines France's approach to Al in the military, provides examples of Al-enabled military applications, and announces the creation of several bodies that will help the French military adopt AI.

Germany approaches the topic markedly differently. The German national AI strategy views AI primarily through an economic lens, concentrating on preserving the strength of German industry - particularly small and medium-sized companies, the famous Mittelstand. The military, security, and even broader geopolitical elements of AI are however absent from the strategy. On military AI, the strategy notes that this falls under the responsibility of the Ministry of Defence – which, as of 2021, has not published an official discussion of military AI applications.

Given the ethical concerns outlined above, European governments, and Germany in particular, are active in the discussion around new arms control regimes related to new technologies. In 2019, the German foreign office launched the "Capturing Technology. Rethinking Arms Control" initiative, which included high-level international conferences, several workshops and online meetings.37 Initially, the effort looked at several new technologies ranging from biotechnology to missiles. In 2020 and 2021 it focused more specifically at Al-enabled, and lethal autonomous weapon systems. It seems likely that the next German government will continue this effort, and work to get a growing number of international partners on board.

This paper was contributed by Dr. Ulrike Esther Franke, ECFR

# Summary 9th Germany-Israel Strategic Forum

This is a summary of key insights, assessments, and policy conclusions from the 9th Germany-Israel Strategic Forum.

On 30 November 2021, the European Leadership Network (ELNET), the Forum of Strategic Dialogue (FSD), the Federal Academy for Security Policy (BAKS), and the Konrad Adenauer Foundation (KAS) gathered senior policymakers and experts from Germany and Israel for another round of the Germany-Israel Strategic Forum. The first part of the dialogue focused on innovation in defense and security, and the second on Europe's role in addressing the Iranian challenge. The discussions were conducted under the Chatham House Rule.

The event took place just days after the announcement of the new German coalition's policy program and was the first Forum since the change in the Israeli government. It also coincided with the relaunch of direct negotiations between the new Iranian government and the P5+1 on reviving the JCPOA. The new German government program points to continuity in foreign and security policy and reaffirms German commitment to Israeli security as reason of state ("Staatsräson").

Overall, the Strategic Forum reflected the closeness of the bilateral relationship. This is exemplified in a variety of areas, including security cooperation, information sharing relating to COVID-19, German support for Israeli accession to Horizon Europe, and recent visits by Foreign Minister Heiko Maas in May (during the Gaza conflict) and Chancellor Angela Merkel in October 2021 (as one of her last visits in office).



# Europe's Role in Addressing the Iranian Challenge

The Strategic Forum's participants shared their growing skepticism about the prospects for returning to a nuclear agreement with Iran. German officials continue to defend the original deal, stressing that the new Iranian government must show its commitment to the negotiations, that Iran must fully comply with agreed terms, and that regional security must be addressed in the re-negotiations. There is a wide consensus on the Israeli side that whilst Israel does not oppose a diplomatic agreement in principle, only a "longer and stronger" deal will be acceptable, meaning ulimited in time and with more adequate controls. Returning to the 2015 version of the JCPOA is not acceptable. This is because Iran has developed improved enrichment capabilities that cannot be rolled back, and the constraints of the original JCPOA are in any case approaching their expi-ration dates.

At the same time, the Israeli government is communicating in increasingly stark terms that it is updating the IDF's military options against Iran's nuclear program and has allocated budgets to ensure that capabilities are in place if all else fails. In line with the 'Begin Doctrine', the acquisition of nuclear weapons by an enemy committed to Israel's destruction is considered an unacceptable existential threat, an attitude informed by Jewish historical experience of the Holocaust.

Israelis see Iran's nuclear program as offering a potential umbrella for Tehran's expanding offensive capabilities. This includes the proliferation to proxies of demonstrated aerial capabilities which now cover cruise missiles, UAVs as well as ballistic missiles. Growing Iranian threats are shaping the IDF's new multiyear "Momentum" plan, which includes developing new capabilities relating to long-range capabilities, multi-layered air defense, and space.

Whilst German officials defend the JCPOA – claiming it held back a nuclear Iran – they express their doubts about Iran's seriousness in the renewed talks. They are aware that Iranian advances in centrifuge R&D need to be addressed in a renewed agreement. Doubts are fueled by the five-month delay in the new Iranian gov-

ernment returning to talks, and the extent of the media posturing of lead negotiator Ali Bagheri, apparently for domestic consumption. Bagheri has emphasized the issues of sanctions relief and guarantees. German participants made clear that non-nuclear sanctions are not up for discussion and no guarantees can be provided against a political change in the U.S. They expect Iran's willingness to compromise to be tested within the coming months.

As Israelis perceive a credible military option to be a prerequisite for securing an acceptable deal from Iran, there is a preference among German officials not to speak about a 'plan B' afraid this would take away the focus from the diplomatic track.

It remains open whether time is playing for or against Iranian interests. Whilst sanctions are taking their toll, Iran seems able to withstand them, still claiming and following an agenda of regional hegemony. Israelis in particular focus on the extent of Iran's growing regional influence and proliferation of advanced weaponry to its proxies in weak states (Lebanon, Syria, Yemen and Iraq). But it was also pointed out that Iraqi elections brought a victory to non-Iranian aligned Sadrists, and that the Iranian-aligned Popular Mobilization Forces in Iraq are unpopular — hints about a possibly decreasing Iranian influence in its direct neighborhood.

Regional international dynamics reflect complex trends in response to the Iranian threat, influenced by doubts over U.S. commitment to regional security. Participants described the significant changes resulting from the Arab-Israeli (and especially Israel-UAE) normalization process. At the same time, they pointed to the cautious development of a dialogue between Iran and its Arab neighbors, including Saudi Arabia, as well as to recalibrations in the regional architecture of relations and alliances, indicated by UAE Prince Mohammed bin Zayed's recent visit to Turkey after years of rivalry. The withdrawal of the U.S. from Afghanistan has underlined questions for both Israel and Arab states over American commitment to its allies.

Russian and Chinese attitudes will also have a significant impact on Iran's approach. China has increasing energy dependence on the Gulf and is very critical of





U.S. sanctions against Chinese companies working in Iran. Russia, meanwhile, has its own concerns about Iranian nuclear weapons. Both Russia and China have raised ideas about regional security, marking the opening of a discussion.

Given widely shared doubts about the ability to contain Iranian nuclear and regional ambitions, with or without a deal, German participants raised alternative strategies, such as creating a complementary regional security agreements alongside the JCPOA. Some appear to envisage arrangements involving Israel, regional players, the EU, or the U.S., establishing a framework for deterring Iran or committing to Israeli security. Others spoke of long-term German aspirations to promote a regional security infrastructure based on agreements between Iran and its Arab neighbors. Some Israelis called for a parallel Israel-U.S. security agreement in the wake of the 2015 version of the JCPOA, which would affirm a shared commitment that Iran should not acquire nuclear weapons and include operational plans to prevent this in the future.

#### Conclusions & Recommendations

- Israelis expressed grave doubts about the direction of appeasement in which the diplomatic process with Iran might be going, as well as gave warnings with respect to using military options if all else fails. At the same time, German stakeholders were cautious about discussing military options in order to give the diplomatic process enough time and space to function.
- ► The interests of both Israel and Arab states should be considered in the nuclear negotiations.
- Iran's growing threat demands stronger international coordination on containment of Iran and its proxies.

#### **Innovation in Defense and Security**

Today, Israeli-German cooperation in defense and security technology is already close, but there is still scope for further collaboration. Standout projects include Israeli procurement of naval ships from Germany – including recently completed Corvettes built in Germany incorporating Israeli technology – and Israeli UAV technology (being supplied to the Bundeswehr).

From the German perspective, with limited budgets and manpower and defense being a relatively low public priority, procuring proven technology is a cost-effective alternative to developing it, as is sharing capabilities with a network of states. Expectations of Germany are growing as the U.S. asks its European partners to develop more 'mature' defense capabilities and strengthen the European pillar in NATO.

German participants stressed the centrality of EU and NATO partners in German defense capabilities and procurement. Around 80 percent of German capabilities in stock are assigned to NATO, and interoperability with NATO partners is key in German defense procurement.

There is an increasing overlap in Israeli and German defensive requirements, with the German (as well as NATO's) threat perception directed towards Russia in particular, while the Israeli doctrine has shifted to a more defensive posture in recent decades. This is reflected in the development of Israeli capabilities in missile defense, cyber defense, and physical barriers above and below ground.

Unmanned technology and Artificial Intelligence (AI) are anticipated to be increasingly important. AI is supposed to be part of all defense systems in the coming decades and is subject to technological competition between the U.S. and China. Also, new technology raises new ethnical issues which need to be discussed by democratic societies and policymakers.

Space-based intelligence satellites are an important piece of developing "information dominance," and it was pointed out that Germany and Israel combined have 15 military satellites compared to 218 for the U.S.



and 125 for China. It was also argued that in this respect quality, and not only quantity, is significant. Thus, Germany is a leading player in reconnaissance and imagery, which enables it to share products with others in exchange for other provisions. Germany has agreements with France and the U.S., and has discussed how to share capabilities with Israel.

Speakers highlighted the shift from public to private sector centrality in technological development, and indeed the blurring between the two realms. Many cyber-technologies are privately available on the market, including dual-use technologies, creating a demand for governments to monitor technological developments with security implications that they do not control.

Participants reflected on the deeper significance of this tech revolution that enables civilians in one state to attack civilians in another, and benefits weak and authoritarian states. One participant called for clearer international norms and rules of engagement in the cyber realm, and for clear civilian command and control over offensive military cyber activity.

Israel's strategic and social culture is widely perceived to have equipped it with enviable strengths in defense

tech and innovation. This is born of a combination of necessity driven by heightened threat perception; manpower that comes from conscription and reserve duty; a culture which empowers young conscripts to innovate and take responsibility; and an informal and highly networked society with close links between the military, private sector, and academia. German participants expressed enthusiasm to learn from Israel's culture of urgency and to overcome both the culture of big bureaucracy that can slow down development in Germany and the culture of military restraint which dampen innovation in the military field.

That said, Germany has its own strengths that complement those of Israel and create great potential for synergies, notably in engineering and vehicles. In the military sector, this is illustrated by the procurement of ships for the Israeli navy. In the civil sector, the same is evident in the marrying of German cars with Israeli cyber and autonomous driving tech. Potential synergies extend far beyond the security realm, with climate change in particular presenting enormous challenges as well as opportunities for cooperation.

#### Conclusions & Recommendations

- ▶ The global race for advanced technologies in cyber, space, Artificial Intelligence, and unmanned capabilities, demands sharing of technologies and capabilities between like-minded states Germany and Israel should explore ways to deepen cooperation in advanced technology fields (cyber, space, AI, and unmanned capabilities), along with the U.S. and the EU as partners.
- ▶ The two sides should build on synergies between Israel's agile tech innovation ecosystem and German strengths in engineering. In addition to the defense sector, these should also be applied to other highly urgent issues such as climate change.
- There is a need to focus on the wider implications of the shift to private sector-led technological development and the growth of cyber warfare, including the global proliferation of threats and the emergence of new normative challenges.

## Bibliography

- 1 **Federal Foreign Office:** "The Joint Comprehensive Plan of Action on the Iranian nuclear programme", 14.09.21 in https://www.auswaertiges-amt. de/en/aussenpolitik/regionaleschwerpunkte/nahermittlererosten/irani sches-nuklearprogramm/218192.
- 2 Amerika Dienst: "Ausstieg der Vereinigten Staaten aus dem Atomabkommen mit dem Iran", 08.05.2018 in https://de.usembassy.gov/de/jcpoa/.
- 3 Heller, Jeffrey: "Netanyahu urges no return to Iran nuclear deal", 22.10.2020 in https://www.reuters.com/article/us-irannuclear- israel-usa/netanya hu-urges-no-return-to-iran-nucleardeal-idUSKBN2820P0.
- 4 **Stern, Maram:** "Nie wieder!", 27.01.2020 in https://www.juedische-allgemeine. de/politik/nie-wieder-3/.
- 5 Zamirad, Azadeh: "Die Atomvereinbarung mit Iran. Gegenstand, Genese, Gefahren", 15.05.2020 in https://www.bpb.de/ apuz/309940/die-atom vereinbarung-mit-iran.
- 6 Lohmann, Sascha/ Meier, Oliver/ Zamirirad, Azadeh: "Irans Atomabkommen: Washington und Brüssel auf Kollisionskurs", 09.05.2019 in https://www.swp-berlin.org/fileadmin/contents/ products/aktuell/2017A5 3\_lom\_mro\_zmd.pdf.
- 7 Metzler, K. / Rising, D.: "UN agency: Iran violating all restrictions of nuclear deal.", 05.06.21 in https://apnews.com/8a87a9dff7faae6b 54461d5541e78hd0
- 8 CNBC: "Iran will return to nuclear talks after months of stalled negotiations, State Department says", 03.11.21 in https://www.cnbc. com/2021/11/03/iran-will-return-to-nuclear-deal-talks-later-thismonth.html.
- 9 Brüggmann, Matthias/ Fischer, Eva/ Siebenhaar, Hans-Peter: "Iran erhöht seine Urananreicherung – und lässt so den Atomstreit eskalieren", 04.01.2021 in https://www.handelsblatt.com/politik/ international/gefaehrdetes-abkommen-iran-erhoeht- seineurananreicherung-und-laesst-so-den-atomstreit-eskalieren /26767342.html?ti cket=ST-11529901- bDK62Qob0eDvOiK00Lnw-ap6.
- 10 Tagesschau: "Iran beginnt mit höherer Urananreicherung", 04.01.2021 in https://www.tagesschau.de/ausland/iran-anreicherunguran-fordo-101.html.
- 11 **Neue Züricher Zeitung:** "Atomstreit: Iran droht mit Massnahmen bei Scheitern der Atomverhandlungen", 06.10.21 in https://www.nzz.ch/international/atomstreit-im-ueberblick-iran-machtfortschritte-bei-atomtechnik-ld.1384375.
- 12 **NZZ:** "Atomstreit mit Iran: Wenige Wochen würden Teheran reichen, um genug Uran für eine Atombombe zu gewinnen.", 20.22.21 in https://www.nzz.ch/international/atomstreit-im-ueberblick-iran-macht-fort-schritte-bei-atomtechnik-ld.1384375.
- 13 Defense Intelligence Agency of the United States of America: "Iran Military Power Ensuring Regime Survival and Securing Regional Dominance", 01.08.2019 in https://www.dia.mil/Portals/27/Documents News/Military%20Power%20Publications/Iran\_Military\_Power\_LR.pdf, 17.01.2020.
- 14 **The Missile Threat:** "Missiles of Iran", 14.06.2018 in https://missilethreat.csis. org/country/iran/.
- 15 Jones, Seth G.: "War by Proxy: Irans Growing Footprint in the Midd le East", 11.03.2019 in https://www.csis.org/war-by-proxy.
- 16 Mansour, Renad/ Jabar, Faleh A.: "The Popular Mobilization Forces and Iraq's Future", 01.04.2017 in https://carnegie-mec. org/2017/04/28/popular-mobilization-forces-and-iraq-s-future-pub-68810.
- 17 **Allinson, Tom:** "Jemenitische Miliz: Wer sind die Huthis?", 02.10.2019 in https://www.dw.com/de/jemenitische-miliz-wer-sind-die-huthis/a-50677090.

- 18 **Aljazeera:** "Oil attacks 'unquestionably sponsored by Iran': Saudi Arabia", 19.09.2019 in https://www.aljazeera.com/news/2019/9/19/oil-attacks-unquestionably-sponsored-by-iran-saudi-arabia.
- 19 Handelsblatt: "Iran setzt Tanker fest: Südkorea schickt Marineeinheit", 04.01.2021 in https://www.handelsblatt.com/politik/ international/es kalation-im-persischen-golf-iran-setzt-tankerfest-suedkorea- schickt-marineeinheit/26767042.html?ticket=ST-11405393-eDCuzl 4RuEM7vnzP6Zzy-ap6.
- 20 Knipp, Kersten: "Irak der Zorn auf den Iran", 14.11.2019 in https://www.dw.com/ de/irak-der-zorn-auf-den-iran/a-51456955.
- 21 **The Missile Threat:** "Missiles and Rockets of Hezbollah", 27.09.2019 in https://missilethreat.csis.org/country/hezbollahs-rocket-arsenal/.
- 22 Murciano, Gil: "Israel vis-à-vis Iran in Syrien: Die Gefahren einer aktiven Eindämmung", 01.01.2021 in https://www.swp-berlin.org/ publications/products/aktuell/2018A03\_mco.pdf.
- 23 Saban, Navvar: "Factbox: Iranian Presence in Syria's Deir ez-Zor province", 17.03.2019 in https://www.atlanticcouncil.org/blogs/menasource/factbox-iranian-presence-in-syrias-deir-ez-zor-province/.
- 24 **Die Welt:** "Heiko Maas will "Nuklearabkommen Plus" mit dem Iran", 04.12.2020 in https://www.welt.de.politik/ausland/article221773832/Iran-HeikoMaas-will-Neuaushandlung-von-Atomab kommen-Plus.html.
- 25 Frankfurter Allgemeine Zeitung: "Atomabkommen mit Iran: Wer macht den ersten Schritt?", 19.02.2021 in https://www.faz.net/ aktuell/politik/ausland/atomabkommen-mit-iran-wer-macht-denersten-schritt-17207090.html?service=printPreview.
- 26 Neue Züricher Zeitung: "Atomstreit: Iran droht mit Massnahmen bei Scheitern der Atomverhandlungen"; 06.10.21 in https://www. nzz.ch/international/atomstreit-im-ueberblick-iran-macht-fort schritte-bei-atomtechnik-ld.1384375.
- 27 The Guardian: "US and Israel exploring 'plan B' for if Iran does not resume nuclear talks", 13.10.21 in https://www.theguardian. com/world/2021/oct/13/us-and-israel-exploring-plan-b-for-if-irandoes-not-resume-nuclear-talks.
- 28 **Welt:** "Israel droht Iran im Atomstreit mit Konsequenzen", 13.10.21 in https://www.welt.de/politik/ausland/article234402050/Israel-droht-Iran-im-Atomstreit-mit-Konsequenzen.html.
- 29 **Tagesschau:** "Hoffnung auf ein Atomankommen schwindet.", 06.11.21 in https://www.tagesschau.de/ausland/asien/iran-neueregierung-atomabkommmen-101.html.
- 30 Franke, Ulrike / Torreblanca, José Ignacio: "Geo-tech politics: Why technology shapes European power", 15.07.2021 in https://ecfr.eu/ publication/geo-tech-politics-why-technology-shapes-europeanpower.
- 31 **ECFR:** Elements adapted from: "Ulrike Franke, Military Power", 2021 (forthcoming) in New Power Maps.
- 32 Franke, Ulrike: "Killerroboter? Es geht auch anders", 14 April 2018 in https://www.zeit.de/politik/ausland/2018-04/kampfdrohnen-luft waffe-spd-union-debatte.
- 33 Harvard Belfer Centre: "National Cyber Power Index 2020", 09.2020 in https://www.belfercenter.org/publication/national-cyber-power-index-2020.
- 34 Sanger, David E.: "The perfect weapon: War, sabotage, and fear in the cyber age.", 2019 in *Broadway Books*, p.98.
- 35 NSCAI: "Final Report: US National Security Commission on Artificial Intelligence", 2021 in https://www.nscai.gov/2021-final-report/.
- 36 Future of Life Institute "Autonomous Weapons: And Open Letter From AI & Robotics Researchers", 28.07.2021 in https://futureoflife.org/open-letter-autonomous-weapons / Frankfurter Allgemeine Zeitung: "Offener Brief: Initiative für ein internationales Abkommen zu Autonomie im Waffensystemen", 01.11.21 in https://autonomewaffen.de.
- 37 Federal Foreign Office: "2021. Capturing Technology. Rethinking Arm Control", 2019 in https://rethinkingarmscontrol.de/.