

**TESTIMONY OF HOWARD A. KOHR, EXECUTIVE DIRECTOR
AMERICAN ISRAEL PUBLIC AFFAIRS COMMITTEE (AIPAC)
TO THE HOUSE APPROPRIATIONS STATE, FOREIGN
OPERATIONS AND RELATED PROGRAMS SUBCOMMITTEE
March 25, 2009**

The American Israel Public Affairs Committee (AIPAC) believes the U.S. relationship with Israel is critically important, and recognizes the prominent role that foreign aid plays in accomplishing America's foreign policy objectives—not only in Israel but also around the world. We strongly support a vibrant, robust and bipartisan foreign assistance program.

AIPAC is the only American organization—representing all of the major American Jewish organizations that sit on our National Council—whose principal mission is to lobby the U.S. government about legislation that strengthens the relationship between the United States and Israel.

I submit this testimony in strong support of providing Israel with the necessary resources to meet its current and growing challenges. Toward that end, we request that the Subcommittee approve aid to Israel in the amount of \$2.775 billion as called for in the 2007 Memorandum of Understanding (MOU) between the United States and Israel. We support approval of this aid in accordance with the legislatively mandated terms under which it has historically been provided, particularly provisions concerning earmarks, offshore procurement, and early disbursal.

We strongly believe American assistance to Israel serves vital U.S. national security interests and advances critical U.S. foreign policy goals. Aid to Israel has helped it tackle and deter the serious military threats it has faced throughout its existence. Aid has helped convince Israel's neighbors to come to the negotiating table and has provided necessary backing to enable Israel to take serious risks for peace. Furthermore, most Israeli aid comes right back to our country through procurement from U.S. defense contractors or repayment of past loans.

Partnership with Israel

The United States and Israel have forged a unique partnership, which has grown ever stronger following September 11. This relationship is based on shared values, a shared commitment to democracy and freedom, shared enemies and comparable histories of providing safe haven to oppressed people. The U.S.-Israel partnership is also based on a staunch commitment to defending the mutual interests of both countries against ever more ominous threats. Together, the two nations are combating the growth of Islamic extremism and maintaining the strongest military forces in the region to prevent aggression, while pursuing all avenues for a negotiated resolution of conflict.

In the fight against terrorism and proliferation of mass-destruction weapons, U.S.-Israeli cooperation is perhaps without parallel. On a daily basis, the two allies exchange

information on rogue nations' nuclear and missile programs, the whereabouts, organization and plans of terrorist groups in the Middle East, and the political and military activities of the region's hostile states.

Strategic cooperation—including joint military exercises, military exchanges, the pre-positioning of U.S. military equipment in Israel, and the joint development of advanced weapons systems, including in the critical missile defense arena—helps deter aggression in the Middle East. Israel is our most active international partner in researching and developing critical defense technologies. Recently, various Israeli-designed weapon systems have been used in Afghanistan and Iraq to aid U.S. forces and save American lives.

The American military routinely deploys Israeli-developed unmanned aerial vehicles, which have logged thousands of hours in Iraq and Afghanistan. U.S. planes in both countries have been equipped with Litening, an Israeli-origin system with infrared sensors that identify ground targets and enable pilots to employ the new, precision guided weapons that have increased our military's effectiveness, all the while decreasing collateral damage. The Litening targeting pod made it possible for American fighter pilots to deliver the munitions that eliminated al-Qaeda's leader in Iraq, Abu Musab al-Zarqawi.

Israeli-developed reactive armor tiles, which explode outward upon impact, have been used to protect American armored personnel carriers, so far saving hundreds of U.S. servicemen from potential death or injury in Iraq. Israel and America have also collaborated on ways to reduce the threat posed by improvised explosive devices, which have been responsible for the majority of American casualties in Iraq.

Israel is living proof that the strongest allies of the United States are those that share our basic values. In a region dominated by authoritarian regimes, Israel stands out as the *only* country with regular competitive elections, free press and free speech.

The Importance of the U.S.-Israel MOU

The challenges and threats that Israel faces have grown exponentially in recent years. The dangers it will likely face in the decade to come have intensified dramatically. In recognition of a series of new threats and changing realities in the region, including the terrorist threat from Hamas and Hizballah and the prospect of a nuclear-armed Iran, the United States and Israel signed a MOU in 2007 that calls for the U.S. to provide \$30 billion in security assistance over a ten year period.

The second year of the MOU calls for Israel to receive \$2.775 billion in security assistance in fiscal year 2010, subject to congressional approval. Under the agreement, Israel is slated to receive gradual increases in aid during the first four years before leveling off at \$3.1 billion for the remaining six years.

The MOU states that foreign aid enhances the “political, security and economic interests of both countries” and that the two nations “intend to continue their active dialogue on security and economic policy in existing bilateral committees.”

President Barack Obama has strongly supported the agreement, saying in June 2008 that “I will ensure that Israel can defend itself from any threat from Gaza to Tehran. . . . As president, I will implement a memorandum of understanding that provides \$30 billion in assistance to Israel over the next decade, investments to Israel’s security that will not be tied to any other nation.”

Shared Threats Facing the United States and Israel

The United States and Israel face a very different Middle East than they did during the mid-1990s. Terrorism, Islamic radicalism and the spread of sophisticated weaponry have significantly increased as a belligerent Iran seeking hegemony and its proxies have seen their influence rise throughout the region.

- Iran—whose leadership calls for Israel’s destruction—now has enough low enriched uranium to produce a nuclear weapon if it further enriches that material to weapons-grade level. The regime can also deploy a sizable force of increasingly sophisticated Shihab missiles, with ranges that now extend far beyond Israel.
- In 1998, when the last 10-year aid MOU was signed to phase out U.S. economic aid to Israel, the Jewish state was negotiating agreements with a unified Palestinian Authority under Yasir Arafat. Today, the terrorist group Hamas has full control over Gaza and is actively imposing its violent, radical Islamist agenda throughout the territory while launching daily rocket attacks against Israeli civilians.
- Ten years ago, Israel controlled a security zone in southern Lebanon to deter Hizballah attacks against its citizens. Today, Iran and Syria have helped Hizballah replenish its stockpile of rockets to levels that are now three times its inventory before the 2006 war—some 42,000, according to Israeli security officials.
- The Syrian military has embarked on a modernization effort and arms-buying spree not seen since the 1980s and has pursued its own nuclear weapons program with the help of Iran.

U.S. Assistance Vital in Helping Israel Face Increased Threats

Amid these increased threats, the military hardware—including American-built ships and fighter aircraft—that the IDF must acquire over the next decade to maintain its qualitative edge are more complex, diverse and expensive than previous systems. For example, the most recent U.S.-produced front-line fighter jet deployed by Israel—the F-16I—cost \$45 million. By contrast, the U.S. F-35 Joint Strike Fighter, which Israel is seeking to purchase in the next decade, may cost up to \$100 million each.

Israel is finding it increasingly expensive to keep pace with the accelerated military spending throughout the Middle East, which has been fueled by the windfall oil profits of the past few years. From 2002 to 2006, the growth rate of Saudi Arabia's military budget, for example, was almost six times that of Israel's, while Iran's growth rate of military spending grew 16 times more than that of Israel's.

These statistics make clear why U.S. security assistance is so vital in helping provide Israel with the means to defend itself from escalating threats in the world's most dangerous region. U.S. support helps counterbalance the 10 to 1 disparity in military spending over Israel by the Arab states and helps reduce the risk of war.

In receiving its Foreign Military Financing (FMF) assistance early in the year, Israel is able to stretch the value of its U.S. aid package. And by being allowed to spend a portion of its military aid on its own soil, under the offshore procurement program, Israel is able to develop technological innovations to U.S. weapons systems that help Israel maintain its qualitative edge in the region.

The IDF today faces new challenges that have generated a wide range of modernization requirements. These include the need for defenses against Palestinian and Hizballah rocket attacks, replenishing munitions stockpiles with the latest precision weapons, and securing the southern border against smuggling.

The FMF program has enabled Israel to build a cutting-edge air force equipped with the latest U.S.-made jet fighters and combat helicopters, and to supplement its powerful ground forces and modern navy. American assistance has likewise contributed to Israel's emerging defense against ballistic missiles and its ability to counter the menace of terrorism.

Israel Increasing Its Own Defense Spending

In preparing for these threats, Israel will certainly do its part in terms of increased military service by its citizens, greater defense spending and intensified development of new defense technologies. Israel has committed to a 10-year plan of sustained increases in its own defense spending to accompany the expected growth in U.S. security assistance. Israel, which already spends more on defense as a percentage of GDP than any other industrialized nation, is slated to spend \$150 billion on defense during the next decade, a 50 percent increase over the previous 10-year period.

The extreme nature of the threats forces the Jewish state to spend 8 percent of its gross domestic product on defense requirements, the highest percentage of any country in the industrialized world. While Israelis are bearing the burden of increased defense spending, Israel still requires American assistance to help it acquire the equipment it needs to defend the country and maintain its qualitative edge.

Benefits of Assistance to Israel

The \$2.775 billion in aid to Israel called for in the 10-year MOU is highly cost-effective, especially compared to the costs of deploying U.S. troops around the world. Aid to Israel supports American ideals by helping the only democracy in the Middle East to defend itself and prosper. Aid to Israel also supports American diplomatic efforts in promoting a peaceful resolution of the Arab-Israeli conflict. By ensuring that Israel can defend itself on the battlefield, U.S. aid helps encourage potential enemies to come to the negotiating table and deter potential aggressors. The unwavering commitment and continuity of U.S. aid sends a powerful signal to these adversaries that a negotiated settlement with Israel is the only option. As in the past, U.S. assistance will enable Israel to negotiate with confidence and take historic steps for peace.

Conclusion

The recent events in Gaza, Lebanon and Syria and Iran's continuing nuclear weapons pursuit underscore the fact that the threats to Israel and the United States are more severe than they have been in many years. Many of these threats emanate from extremist elements in the Middle East. The continued existence of authoritarian regimes and groups, pursuing virulently anti-U.S. objectives and using means antithetical to Western values, is nowhere more pronounced than in this region.

The United States has few friends like Israel with which it shares basic values and interests, and which are willing to help us to combat extremism and stabilize the region. It is a friendship and an alliance that continues to benefit both countries. It is one that has always been of existential significance to Israel – and will become even more so as Israel confronts the tremendous military and political challenges it faces this year.

Congress has been the bulwark of American support for Israel. America is strengthened when Israel is strong. And Israel is strong because the actions of Congress have helped make it strong. This Subcommittee, in particular, and you, Chairwoman Lowey and all the subcommittee members have been critically important in helping solidify the U.S.-Israel partnership. We are confident that in the trying years ahead, you will continue to uphold this vital endeavor, which is so very much in the interests of both countries. We look forward to working with this Subcommittee over the coming years to ensure continued support for our ally, Israel.