

Indo-Israel Military Relations

Arms sales form the backbone of the Israeli economy. There are nearly 150 defence firms in Israel, with combined revenues estimated at US \$3.5 billion. The three largest arms manufacturing groups in Israel are the government-owned Israeli Arms Industry (IAI), Israel Military Industries (IMI) and the Rafael Arms Development Authority, all of which produce a wide range of conventional arms and advanced defence electronics. In addition, there are privately owned weapons manufacturing companies like Elbit Systems and the Tadiran Group. The Israeli arms industry employs close to 60,000 people. Israel's defence exports are coordinated and regulated through SIBAT --- the Foreign Defence Assistance and Defence Export Organization --- which is run by the Ministry of Defence. SIBAT's tasks include licensing all defence exports, as well as marketing products developed for the Israel Defence Force (IDF), that is the Israeli military, from electronic components to missile boats and tanks.

Since the end of the cold war, Israel has been plagued by shrinkage in arms trade/export forcing it to become extremely proactive in seeking clients to sustain the industry. The establishment of Indo-Israel diplomatic relations in 1992 came as an undisguised blessing for the Israeli political-military-industrial complex, as it re-energized the overall performance of the Israel's defence industry. India, with a record \$1.6 billion procurement of arms, had boosted Israel's defence industries to record an all-time sales figure of \$ 4.4 billion in 2006. The Israelis' defence trade with India has been one of the main reasons for Israel's emergence as one of the top five exporters of defence equipment in the world. The Indian arms purchases include:

Barak Naval anti-missile defence system

Phalcon advanced airborne early warning systems

Green Pine early-warning and fire-control radars

Upgradation of 180 130 mm M-46 field guns by Israeli firm Soltam

Super-Dvora Mk II fast attack craft

Heron Unmanned Aerial Vehicles

Star Night Technologies Night Vision Goggles

Spider quick-reaction surface to air missile (55 km range) \$2.5 billion joint collaboration project

A \$480 million, five-year contract was concluded in early 2006 between the Indian Defence Research Development Organization (DRDO) and Israel Aerospace Industries (IAI) for missile development. India and Israel are now working to expand their already considerable missile development cooperation to cover both air and land based missile systems. It is estimated that this new deal with IAI would be of the order of \$2.5 billion. The deal, apart from missile systems, also includes radar systems made by IAI's subsidiary, Elta Systems Ltd, unmanned aerial vehicles (UAV), and possibly satellites too.

IAI had last month launched its TechSAR all-weather, high-resolution radar satellite using an Indian launcher in collaboration with the Indian Space Research Organisation (ISRO). Israel has made no secret of the fact that the prime function of TechSAR is to spy on Iran, a country with which India has friendly relations. It is also known that this was the first in a series of 5 such satellites that India has agreed to launch for Israel.

A coalition of US-India Political Action Committee (USINPAC), America-Israel Political Action Committee (AIPAC) and American Jewish Committee (AJC) has vehemently lobbied to gain the Bush administration's approval for Israel to sell four Phalcon early warning radar

planes to India worth US \$1 billion. After Pokhran II, the US had imposed sanctions on India and opposed any form of arms trade in the subcontinent. Delegations of the American pro-Israeli Jewish lobby have been visiting India frequently since 1995. Two years ago, it was this very lobby that took a group of Indian-American leaders to visit Israel to boost the arms trade and diplomatic relations. India has become one of Israel's largest business partners. Israel is currently India's second largest weapons supplier after Russia and is expected to take over the first place from Russia soon.

Recently the head of SIBAT, Maj.Gen. Yossi Ben-Hanan, in his interview with the *Jerusalem Post* proclaimed "India was Israel's biggest customer, with purchases reaching \$1.5 billion". He also pointed out that Israel's single largest sale to a foreign country involved India, the Barak Naval anti-missile defence system worth \$450 million. Israeli defence exports to India totalled US \$ 2.76 billion from the year 2002 through 2005. The year 2006 registered a record purchase of defence equipment worth \$1.6 billion by India from Israel. In the last five years India had purchased arms worth nearly \$5 billion from Israel and has been its largest client for military hardware.

After September 11 attack on the World Trade Centre, Israel has been selling defence supplies to India, especially in the garb and under the rhetoric of counter-terrorist operations. India is now aiming to purchase Israeli Arrow-II anti-ballistic missile defence system, for which permission from the US, which has co-developed the system, is awaited. India has already acquired two Green Pine early-warning and fire-control radars which can detect and track hostile missiles from 500 km away. During the NDA regime, India entered into a contract with the Israeli firm Soltam to upgrade 180 M-46 130-mm field guns to 155 mm/39 calibre and 155 mm/45 calibre at a cost of about \$250,000 each. Moreover, Soltam also agreed to provide India's Ordnance Factory Board kits to retrofit another 220-250 M-46 guns to equip some 25 artillery regiments. The Navy has also purchased three Super-Dvora Mk II fast attack craft for around \$4.30 million. In 2001, during the Kargil war, India acquired 40,000 rounds of 155 mm ammunition from Israel for around \$1200 apiece and 30,000 rounds of 160mm mortars for around \$400 apiece. Israeli firms have also revamped INS Viraat's electronic control systems though the cost has not yet been disclosed.

The Indian government entered into a \$220 million deal with Israel in 2006 for the supply of 50 Herons drones to the Indian Army. Israel claims that these unmanned aerial vehicles can fly at an altitude of 30,000 feet and are equipped with surveillance technology and an automatic landing and take-off system.

In 2004, India signed a \$1.1 billion agreement for the acquisition of four Phalcon advanced airborne early warning systems from Israel to India. The Israeli Military Industries also announced that it had secured a \$130 million lucrative defence contract from India in the same year. Even the procurement of 126 multi-role combat aircraft for IAF in a deal estimated to be worth over \$6.5 billion will have an Israeli imprint. It is understood from Indian Defense sources that whichever fighter --- F-16, F/A-18, Rafale, Typhoon or MIG-35 --- is selected, the aircraft will be fitted with Israeli avionics.

At the same time, high-level military visits and Joint Working Groups of both countries are continuing and operating at great pace. In 2006, two major military delegations headed by the Chief of Air Staff, Air Chief Marshal S.P. Tyagi, and the vice-chief of the Navy, Vice-Admiral Venkat Bharathan, and in 2005 Lieutenant-General Shantonu Choudhary, and Vice Admiral Arun Prakash visited Israel, apart from routine visits of Indian military officers and commandos for training under Israeli Defence Force (IDF). The Army Chief General J.J.Singh visited Israel for 10 days, the first by a serving army chief, to review military projects like the upgradation of 300 T-72 MI tanks, BMP2 infantry combat vehicles and the

induction of UAVs. Apart from this, in 2006, two Indian warships docked in the Israeli port of Haifa on a so-called goodwill visit to enhance diplomatic relations. Indian Navy chief, Adm. Suresh Mehta, concluded a five-day visit to Israel in January 2008. All three serving chiefs have now visited Israel in the last 2 years.

The chief of staff of the Israeli ground forces command, Brig-General A Mizrahi, was in India in February last year for sharing of military intelligence, equipment, conducting joint training and exercises and “interoperability”. Israeli deputy chief of general staff, Major General Moshe Kaplinsky, visited J&K, including the 16 Corps headquarters in Nagrota for presumably helping India with “counter-insurgency” operations. He and his delegation also held talks with senior military representatives and Defence Ministry officials on each other’s “security perspectives”.

An Indo-Israeli Joint Working Group on Counter-Terrorism has been set up and has held a number of meetings. The Israeli Defence Ministry Chief, Brig Gen (ret'd) Pinchas Buchris visited India in January, 2008 and held talks with National Security Advisor M.K.Narayanan, Defence Secretary Vijay Singh, Army Chief Gen Deepak Kapoor, Naval Chief Admiral Suresh Mehta and Air Force Chief Fali Homi Major. These talks included setting up a mechanism for intelligence sharing.

There is already an on-going relationship between Israeli Intelligence agencies and their Indian counterparts. It is well known that Mossad routinely infiltrates even “friendly” intelligence agencies and uses them to plant information which helps Israel. Such activities could damage India's relationship with countries such as Iran and Syria, with whom India has friendly relations but Israel does not.