

## **Iranian-Israeli Relations: From Covert Relations to Open Hostility**

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### **ABSTRACT**

*Since the creation of the Jewish state, the relations between Iran and Israel have undergone various stages, including covert relations. The fact is that for nearly thirty years, from 1948 until 1979, both states cooperated in certain areas such as trade and intelligence. Even after the Islamic revolution of 1979 both states covertly made arms agreement for a joint cause. But soon after the Iran-Iraq war relations between these states seriously deteriorated. This paper outlines the reasons which played an important part in development and extermination of relations between the two regional players. The history of Iranian-Israeli relations since 1948 and the regional and international changes that occurred had far reaching consequences for both countries. The paper will focus on this analysis as well.*

**Keywords:** Jewish State, Iran, Israel, relations.

### **INTRODUCTION**

Iran and Israel are known as the most important countries in Middle East. These states played influential roles in international and regional politics. Although United States enjoys the status of a super power it played its part to shape policies of different regions for its own interest but for the Middle East its policies were always influenced by Israel through its lobbies and diplomats in Washington. On the other hand Iran is the second biggest oil producing country of the world and it also has the largest area and population in Middle East region. of all the countries in the Middle East, Iran and Israel have a pronounced adversarial relationship. While the world is familiar with Iranian president Mahmoud AhmadiNejad's inflammatory comments about Israel and the Holocaust, the relationship between Iran and Israel was not always so hostile. Prior to the 1979 Iranian Revolution, the two states recognized their shared interests and developed informal relations and security alliances.

However, the Islamic Revolution and its regime ushered in a new ideology with its recalculation of Iranian national interests. This resulted in the deterioration of the two states' previously close, albeit informal, relationship to the present state of affairs. A more holistic understanding of the relationship between these two states is necessary in order to evaluate the current state of Iranian and Israeli relations, as well as Israeli threat perceptions of the Iranian regime.

### **PRE-1979 IRANIAN-ISRAELI RELATIONS**

#### **Iran's Initial Policy for Israel**

Iran began to form its policy towards Israel before the creation of Jewish state. It

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was one of those eleven countries on the United Nations Special Committee on Palestine (UNSCOP) which voted against the Palestine's partition into separate Jewish and Arab states. 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. Iran was also against the Israeli membership for the United Nations. On November 29, 1947, The UN adopted resolution 181 which initiated the fight between Arabs and Jews in Palestine. Following Jewish victory on Arabs, David Ben-Gurion, who was then the head of the Jewish Agency, proclaimed the establishment of the State of Israel on May 14, 1948.

### **Iran's Recognition of Israel**

Initially the Shah of Iran did not recognize Israel. In fact, Israel was never given *de jure* recognition by Iran, but the shah granted Israel *de facto* recognition two years later in 1950. There are various domestic, regional and international factors which influenced Iran's decision to grant Tel Aviv only partial recognition. Domestically, the Islamic sentiments and clerical establishment were the reasons behind Shah's decision to give Israel only *de facto* recognition. The question arises that Tehran voted against the creation of Israel but only two years after the establishment of the Jewish state the Shah of Iran recognized it as a *de facto* state. It was believed that the United States influenced the Shah to recognize Israel and an Iranian consulate was established in Tel Aviv. The consulate was closed in 1952 by the Dr. Mossadegh who became Prime Minister of Iran in 1951. In his book *The Pragmatic Entente*, ShhraibSobhani claimed that Mossadegh took this decision to attain Arab support for Iran's oil nationalization policies at the UN.<sup>1</sup> The Iranian consulate in Israel was never reopened and Iranian authorities under Shah and later under the Ayatollah cooperated with Tel Aviv covertly.

It is a fact that Israel was created at a time when the U.S and Soviet Union were involved in an ideological war against each other. This power struggle between both states became a major factor in Shah's foreign policy. The Shah was concerned about soviet support for opposition groups within Iran, as well as Soviet support for Arab states which were hostile towards Iran. Tehran had a troublesome history with its neighbors, the Soviet Union, interfering in its affairs, and thus eventually sided with the United States for military and economic assistance.<sup>2</sup>The shah saw cooperation with Israel as a way to counter the Soviet and Arab threats in the region.

Initially, Israel and Iran were able to cooperate in the case of transporting Iraqi Jews through Iran to Israel. Since Iran was much more tolerant towards its minority in the entire region it facilitated the Iraqi Jews for their journey to Israel. This factor encouraged the authorities in Tel Aviv to establish relations with Iran.

Secondly and most importantly the newly formed Jewish state required oil, a commodity it desperately needed in light of its economic growth. It was obvious that Arabs would never sell Israel oil therefore the Shah sold oil to Tel Aviv from 1957 till the revolution. In response of Arab criticism the Shah said that it was a necessary source of income and oil sales were an economic issue not a political one. In response of Iranian cooperation on oil sales Israel provided agriculture and development expertise as well as military training to Tehran.

During 1958, an Israeli trade mission was established in Tehran and many observers believed that it served as a cover for diplomatic relations between both states. The covert relations grew stronger when both states co-financed the Eilat-Ashkelon pipeline which was built in 1968 to transport crude oil from Iran to Europe. This pipeline connects the Gulf of Aqaba to the Mediterranean Sea. With the help of this pipeline Iran succeeded to avoid the Suez Canal for its oil exports to Western countries. Neither country acknowledged the oil pipeline nor oil trade but the secret was well known among regional states and many Arab states criticized Iran for its covert agreements and relations with Tel Aviv.

**Table 1.1 Eilat-Ashkelon Pipeline (A Joint Venture of Iran & Israel)**



## **ROLE OF PERIPHERY DOCTRINE**

In 1958 Israeli Prime Minister David Ben-Gurion introduced the periphery Doctrine, which shaped the country's foreign policy for the next few decades. According to this policy Israel tried and succeeded to establish its relations with regional non Arab states. In the north it developed its relations with Turkey and Iran and in the south Ethiopia become a friend of newly formed Jewish state. All of these countries were pro-American and anti-Russian. In this particular time many of the Arab states were pro-Russian. During the 50s and 60s Pan-Arabism was a Major issue and it became a greater threat for Iran and Israel. According to BehrouzSouresrafi: " On numerous occasions, the Shah clearly mentioned that his closeness to Israel was the result of Nasser's (Egyptian President) behavior, and that it was based on defensive reactions against the Arabs, particularly their expansionist policies in the Gulf."<sup>3</sup> At the end of 50s the Iranian secret agency SAVAK and some units of armed forces were secretly trained by Israeli Military and MOSSAD. According to some reports the Iranian Prime Minister David Ben-Gurion and his successors also visited Tehran secretly. Both states worked together against Saddam regime by promoting Kurdish rebellions by providing them training and arms. Mossad and Savak continued to cooperate on various operations together, gathering information on Soviet activities, as well as activities of other internal groups.<sup>4</sup> After United States, Israel became secondary source of arms supply for Iran and in 1966 both states signed a \$6 million arms deal. It all happened because during the 1965s Indo-Pak conflict, American arms embargo to its ally Pakistan led the Shah not to entirely rely on USA and turn to Israel as an alternative source of Arms.

## **PRE-1979 IRANIAN-ISRAELI ECONOMIC COOPERATION**

Beyond their significant informal security alliances and cooperation, Israel and Iran also cooperated economically prior to the Iranian Revolution. One of the main focuses of this economic collaboration was agriculture. Due to its own climate and natural environment, Israel had gained considerable experience in developing arid land. In 1963, the Israeli government corporation TAHAL Ltd., of Tel Aviv, won an Iranian government contract to develop over 120,000 acres of the Qazvin area, an already underdeveloped area further impoverished by an earthquake in the previous year.<sup>5</sup> Due to the work by the Israeli contractors, the average income for the Qazvin farmers increased from \$40 to \$500, after orchards started producing cash fruit crops.<sup>6</sup> Approximately 1,500 rural cooperative workers were trained by the Israeli contractors who also helped Iran develop its tourism economy.<sup>7</sup> In order to cement relations between Iran and Israel, the Shah ordered his ministers to hire Israeli consultants, and according to former Israeli Labor Minister Arie Eliav, "Israel trained some ten thousand Iranian agricultural experts."<sup>8</sup> Overall, Iran also needed the far more advanced Israeli technology and drew upon Israeli expertise in construction and import-export trade.<sup>9</sup> By the end of the 1960s, "Israeli trade with Iran amounted to \$250 million annually."<sup>10</sup> In addition to Iran hiring Israeli corporations and consultants

to develop its agricultural industry, Israelis were also hired for major Iranian construction projects. One important example that has recently received attention is the headquarters of Iran Air, Iran's national airline carrier.

Mohammad Reza Pahlavi hired Israeli engineers to build the airline's headquarters in Tehran, and there were regular flights between Tehran and Tel Aviv throughout the 1960s.<sup>11</sup> While indicative of close relations and economic cooperation prior to 1979, the Iranian national carrier's office building has elicited sharp reactions from the current Iranian regime after images were released by Google Earth of the Star of David built on the rooftop.<sup>12</sup> As might be expected, Iranian officials called for the immediate removal of the symbol (although how the symbol went undetected by the Islamic Republic for over thirty years remains to be addressed).

Finally, one of the most important dimensions of the economic relationship between prerevolutionary Iran and Israel was their oil trade. As previously stated, one year after the 1956 Suez Crisis, Iran and Israel respectively financed and constructed the Eilat-Ashkelon pipeline. The pipeline connected the Gulf of Aqaba to the Mediterranean, enabling Iranian oil exports to bypass the Suez Canal. Given Iran and Israel's mutual distrust of Egypt, Iran's ability to lessen its dependence on Egypt by bypassing the Suez Canal is especially important; at the time, 73 percent of Iranian imports and 76 percent of Iranian oil exports flowed through the Suez.<sup>13</sup> Despite Arab criticism over the Iranian-Israeli cooperation, Iran's financial interests in trade and security cooperation with Israel outweighed its interest in appeasing Arab sentiments; a mere 100 days after construction began, the pipeline became operational and began transporting Iranian oil to Israel for \$1.30 per barrel.<sup>14</sup> The pipeline has since expanded and is managed by the Israeli Eilat Ashkelon Pipeline Company, Ltd.,<sup>15</sup> after Iran's withdrawal from the project following the Revolution.

Former United States Foreign Service Officer Theodore L. Elliot, Jr. confirms these motivations in a letter to the United States ambassador in Tehran dated February 13, 1969. The letter states that the Shah, in a January 31st meeting between Iranian and Israeli officials that year, declared that the pipeline would be a financial benefit to Iran, his certainty that Arab nations are not able to defeat Israel, and that Israel is a friend to Iran.<sup>16</sup> After the 1973 Arab oil boycott began, the Shah continued to supply Israel and the West with oil, despite Arab criticism, and Iran became Israel's primary oil supplier.

### **PRE-1979 IRANIAN-ISRAELI SECURITY COOPERATION**

One of the first and most significant areas of Iranian-Israeli cooperation in the pre-revolutionary years was in regional security concerns. Iraq at this time was viewed as a threat to the national security of both states and thus Iran and Israel engaged in multiple ventures to pursue their mutual interests regarding this state. After many countries in the Middle East expelled their Jewish populations in the

years following Israel's creation, Iran provided assistance to Iraqi Jews fleeing to Israel. Beginning in 1948 and continuing through 1952, Iran allowed thousands of Iraqi Jews to use Iran as a transit point on their way to Israel.<sup>17</sup> In order to successfully facilitate the movement of Iraqi Jews to Israel, Israel cooperated with SAVAK, the shah's intelligence agency.<sup>18</sup> Iran today is home to the largest Jewish population outside of Israel in the Middle East.<sup>19</sup> Despite the discrimination that they face living in the Islamic Republic, article 13 of the Iranian constitution names Jews, Christians, and Zoroastrians as the only recognized religious minorities in Iran, enabling them to "perform their own religious rites, and to act according to their own canon in personal matters and religious education." Official censuses conducted by the Islamic Republic in 1986 and 1996 place the numbers of Iranian Jews at 26,354 and 12,737, respectively; outside estimates place the number closer to 35,000.<sup>20</sup>

During late 60s, the emerging Iraqi Baathist regime refused to accept the 1937 treaty regarding the Shatt-al-Arab waterway, and halted Iranian oil exports through the Persian Gulf. Both sides sign this treaty for the equal access of to the Persian Gulf but this new regional conflict further closed Iran to the Israeli regime. The policies of new Iraqi administration were not acceptable for Tel Aviv and Tehran therefore both states jointly initiated a secret program to train and provide weapons to Iraqi Kurds for their fight against Baathist regime.

Both Iran and Israel shared an interest in keeping Iraqi forces engaged in its northern territory to avoid pressuring Iran to its southern border and Israel on its eastern.<sup>21</sup> Iran was worried about the Baathist regime's hostility and increasing Soviet influence in Iraq, and Israel viewed Iraq as a threat if it were to attempt an attack on Israel.<sup>22</sup>

Israeli decision-makers also saw an important window of safety if Iran could balance against Iraq.<sup>23</sup> Both Iranian and Israeli officials agreed that supporting a mere guerilla campaign alone would not be effective; they instead agreed to provide training and equipment to Mullah Mustafa Barazani's Kurdish rebels.<sup>24</sup> Throughout the 1960s and into the early 1970s, Iran and Israel provided the Kurdish rebels with arms, ammunition, military advisers, training courses, and funds. Both Iran and Israel viewed Iraq at this time to be a security threat and worked within their respective goals, undermining threatening regimes and using periphery states to affect the inner circle, to aid the Kurdish rebels against the Iraqi government.

Aside from aiding Kurdish rebel forces within Iraq, SAVAK and MOSSAD took advantage of other opportunities for significant cooperation regarding their respective states' mutual security concerns. Iranian SAVAK chief TeimurBakhtiar met in Rome with the Israeli ambassador and Mossad chief IsserHarel in 1957.<sup>25</sup> From this point forward, "Israel and Iran exchanged intelligence on Egyptian activities in the Arab world and participated in some

joint operations.”<sup>26</sup>In the Iranian port city of Khoramshahr near the southern border with Iraq, MOSSAD and SAVAK established an office to use the local Iranian Arab population to infiltrate Basra and Baghdad in Iraq.<sup>27</sup> The operation was extremely important, and through the use of this joint office, “Iran and Israel were able to obtain valuable information on Soviet arms transfers to Iraq, such as the number of Soviet advisors assisting the Iraqi military and the exact types of weapons delivered.”<sup>28</sup>

In late 1958, Iran, Turkey, and Israel formed an intelligence exchange alliance called “Trident.”<sup>29</sup> According to documents stolen from the American embassy in Tehran and subsequently published, “the Trident organization involves continuing intelligence exchange and semiannual meetings at the chief of service level.”<sup>30</sup> The Persian section of the 11th published volume of documents states that “the main goal of the Israeli-Iranian relationship was the implementation and development of anti-Arab and pro-Israeli policies, which was the decision of the Iranian leadership...Mossad regularly provided reports about the various activities of Egypt in other Arab countries as well as uprising and events in Iraq, and the activities of the communists which would have impacted Iran.”<sup>31</sup>

SAVAK and Mossad conducted joint intelligence operations that involved breaking into Tehran-based embassies of Arab states to gain access to their materials in addition to anti Egyptian and anti-Iraqi intelligence work. Mossad also trained SAVAK agents in “torture and investigative techniques.”<sup>32</sup> Israel became a new source for Iranian weapons purchases, selling Iran high-tech military equipment and training pilots, paratroopers, and artillery men.<sup>33</sup> The Shah’s regime was even willing to sacrifice relations with powerful Arab states in favor of Israel, as it perceived states such as Egypt and Iraq as a threat to Iranian national security. Because Israel also perceived such states to be a threat to its own national security, Israel provided Iran with this crucial intelligence and training.

## **RELATIONS THROUGHOUT 1960S& 70S**

During 60s Iran emerged as an economic and military power due to its increasing oil sales. In this decade the Shah further strengthened his relation with Tel Aviv. On domestic front the opposition movement was gaining influence through this era. Khomeini was gaining power and Egyptian President Jamal Abdul Nasir supported Khomeini's 1963 uprising and provided facilities and training camps in Egypt for his urban guerrilla forces.<sup>34</sup>

During the 70s Shah was able to side more with the Arabs, due to a number of reasons. Firstly the Arabs were adopting the policy of individual state interests rather than Pan-Arab ones and secondly the new Egyptian president Anwar Sadat adopted the new position on the regional issues and joined the American camp. In 1975, the Shah also reached out to Iraq and signed the Algiers Accord

with Iraq over the Shatt-Al-Arab waterway in return for stopping interference with Iraqi Kurds. After this agreement Iraq also agreed to stop supporting opposition movement in Iran. The Shah's decision of making agreement with Iraq without consulting Israel and United States made them both very upset. But still both states cooperated on intelligence sharing and issues of their joint interests.

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.<sup>35</sup> Furthermore in that particular year Iraq received missile shipment from the Soviet Union which caused panic in both countries and led them both to form a joint missile program without the knowledge of the US administration. Under the "Oil for Arms" deal Israel shipped the advanced weapons to Iran. To counter the opposition uprising the Shah appointed ShahpourBakhtiar as a prime minister of Iran in December 1978. The new prime minister drastically changed the Shah's foreign policy and halted the oil exports to Israel as well as supported Palestinians for their homeland. Although Shahpour remained in power for only three months but he set the policy for Khomeini, especially the issue of selling oil to Israel.

#### **IRANIAN ISRAELI RELATIONS IN KHOMEINI ERA**

The 1979 Islamic Revolution caused a dramatic change in Iran's foreign policy towards Israel as well as its policies towards other regional and international powers. Soon after the revolution the relations between both countries became severed. Despite the growing rivalry, both countries worked together secretly on issue to issue bases throughout the 80s. The main problems both countries facing were hostility from their Arab neighbors, especially Iraq, as well as the threat from the Soviet Union.<sup>36</sup>The Islamic republic's regional isolation dragged it to the costly Iran-Iraq war. Due to Shah's military buildup of Western arms, the Khomeini administration was forced to turn to Israel in order to gain military parts during eight years long war with Iraq. Tel Aviv began selling weapons to Tehran soon after the war started and this arrangement went on until the Iran-Contra affair was exposed in mid 80s. At the same time, Khomeini openly pursued anti Israeli policy and began funding Hezbollah which exposed its dual policy towards Israel.

On February 18, 1979 the Prime Minister of Iran Mehdi Bazargan severed all ties with Israel, including oil sales and commercial flights among both countries.<sup>37</sup>The new administration redefined the Arab-Israel conflict as an Islamic one and new policy was adopted in order to gain leadership role in the region. The new stance on Palestinian issue gave Tehran 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, and rather isolated.<sup>38</sup>After taking charge Khomeini accused Arab leaders that they are abandoning Islam and embracing secularism which upset the Arab leaders. Due



to its interfering policy in their domestic issue, countries with large Shiite population such as Bahrain, Kuwait and Iraq were unhappy with new Iranian administration and the tensions emerged between Iran and the states of the Arabian Peninsula.

### **ARMS TRADE DURING 1980S AND THE IRAN-CONTRA AFFAIR**

Soon after the revolution, Saddam Hussein initiated a war against Iran. Because of Iran's unwelcoming policies towards regional states, the Arabs didn't show any willingness to support Iran. The American Embassy hostage crises with 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 Arms and there spare parts. Due to its historic alliance with United States Iran possessed U.S. military equipments and only Tel Aviv provide the spare parts of those weapons. The cooperation between two countries remained secret until the reports were published in a Middle Eastern newspaper. Both sides had number of shared threats which promoted both administrations to work together to secure their regional interests.

Soon after the initiation of Iran-Iraq war, Israel sent a number of weapons to Iran without the knowledge of 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.<sup>39</sup> The weapons Israel sanded to Iran includes 250 tiers for F-4 fighters as well as \$135 million worth of anti aircraft battery missiles, mortars, ammunition and other weapons. Meanwhile Tel Aviv also sent back American manufactured tanks which were sent by Shah to Israel for repair before he went to exile. From 1980 to 1983, Israel provided \$500 million worth of arms to Iran and in response Tehran sold oil to Tel Aviv at a 25% discounted price.<sup>40</sup>

It is also believed that the Iranian intelligence agencies provided the Intel and the areal photographs of the Iraqi Tamuz reactor to Israel which was later destroyed by an Israeli air assault in 1981. Soon after Israeli attack Saddam Hussein claimed that Iran is working with Israelis but Iranians repeatedly denied this claim.<sup>41</sup> In 1986, United State became also involved in both direct and indirect arm trading with Iran. This covered American arm trade later called 'Iran gate' or the Iran-Contra Affair'. Through this trade United States sold 4,000 Tow missiles to Iran via Israel. These deals tremendously benefited Iran and Israel. On one side Iran was succeeded to acquire American weapons witch played important part in its war against Iraq and on the other hand Israel succeeded to prolong the war and prevent Iraq from gaining regional supremacy.

### **IRANIAN ISRAELI RELATIONS AFTER KHOMEINI**

At the end of Iran-Iraq war the relations between both states took a u-turn because of major regional changes. The most important of these changes included the collapse of the USSR and the weakening of Iraq after the invasion of Kuwait and the subsequent invasion of Iraq by a U.S led coalition in 1991.<sup>42</sup> This

new geographical scenario and Iranian policies towards Tel Aviv were the primary reasons which ended the historical cooperation between both countries.

During the Rafsanjani and Khatami administration Tehran adopted more aggressive policy towards Israel and United States. However the above mentioned geographical changes made Iran the most powerful state of the region after Israel. In fact, without their two major enemies in the region, both countries had additional resources, and a desire to gain regional supremacy.<sup>43</sup> After the Iran-Iraq war, Tehran remained isolated because of its revolutionary ideology which was detested by the Sunni Arab rulers. On the other hand it was also playing active part in Palestinian cause and actively involved in supporting anti Israeli groups such as Hezbollah and Hamas through Lebanon.

In this scenario, Tel Aviv tried to getting closer to the regional Arab states portraying Iran as the main threat. In early 90s Israeli Prime Ministers Peres and Rabin began lobbying the U.S and E.U in order to convince them of the threat of Iran to Israel and the rest of the region.<sup>44</sup> The Israeli lobbies in West were succeeded to convince international community that Iran is not only threat for regional peace but also for the whole Western world. There are number of issues which became the focal point in campaign against Iran. The major issues highlighted by Tel Aviv were Iran's nuclear program and its support for Hezbollah. Most importantly, the anti-Israeli rhetoric by new Iranian regime played decisive role and made Israeli case strong in the eyes of the West.

In October 1991, Madrid Conference was held under the supervision of United States to initiate the peace process among Israelis and Palestinians. Due to strain in diplomatic relations, United State didn't invite Iran and other regional states including Iran's only ally Syria were invited. This was a huge blow to Iran who felt that it should have been invited. As a respond, President Rafsanjani increased funding for Hezbollah, which had previously been decreased during the beginning of his presidency. Furthermore, in opposition to the Madrid peace talks, Rafsanjani even sponsored an "International Conference to Support the Islamic revolution of Palestine" that was held at the same time as the Madrid conference, and invited Hamas, Hezbollah, and other Palestinian groups.<sup>45</sup>

Later in August 1993, the Israeli-Palestinian peace deal in Oslo helped Israel to develop diplomatic relationship with a number of Arab states ending its regional isolation. This scenario further isolated Iran in the region because of its unwelcoming relations with Sunni Arab states. Israel also began lobbying hard to convince regional states that Iran under Shia clerics is the major instability factor in Middle East. In May 1993, the Clinton Administration announced the policy of Dual Containment, under which Iran and Iraq were under partial economic sanction. This partial sanction converted into a total embargo within next two years as the American congress and pro-Israeli lobbies pressurized Clinton

administration. President Rafsanjani tried hard to neutralize the situation and offered a billion dollar oil deal to the American Company, Conoco, which was also halted by Israeli diplomacy in summer 1995. In addition, the House of Representatives passed the Iran-Libya Sanction Law, with a unanimous vote to increase sanctions and penalize non-American companies from certain trade deals with Iran.

## **IRANIAN NUCLEAR ISSUE**

Since the Revolution Iranian nuclear program has become a threat for Israel and other regional and Western states. From then on Iran continuously claims that its nuclear program is for energy purposes only. Iran's nuclear program began in 1957 under the American "Atom for Peace" program. Iran signed the NPT in 1968 and ratified the treaty in 1970. During the Shah's regime Iran also signed agreements with French and German companies for the acquirement of nuclear technology. But after the revolution hostile policies towards West and its own nuclear program changed everything. The Western firms refused to work under the new regime and during the Iran-Iraq war the nuclear facilities were also attacked and badly damaged by Iraqi air forces. However, during mid 80s, Iran acquired ballistic missiles from Russia and also restarted its nuclear program. In 1990s, the Islamic Republic signed agreements with Russia and China for gaining cooperation in nuclear technology since they were unable to gain western assistance. With the help of American pressure Israel succeeded to halt Sino-Iranian nuclear cooperation but it failed to gain success against Russian-Iranian nuclear cooperation.

In 2002 it was revealed that Iran is working on two undeclared nuclear sites in Natanz and Arak. Although the sites were under construction which was not illegal under the NPT and according to the law Tehran had to declare the sites before the actual functioning of these sites but Tel Aviv utilized the moment against Tehran and from then on the program faced constant criticism from the international community. The nuclear enrichment program is the basic source of tension and it is widely believed that Iran is aiming for the nuclear weapons but still there isn't any hard avoidance on this allegation and International intelligence agencies failed to prove there propaganda against Iranian nuclear program. On the other hand Israel possessed nuclear weapons since the 1960's and it is the only state in Middle East to have nuclear weapon capability. However, Tel Aviv never acknowledged possession of nuclear weapons and Israel is continually working against any regional country that has tried to attain nuclear program. The comprehensive agreement between Iran and P5+1 (America, Russia, England, France, China and Germany) is strongly neglected by the Israeli administration and Prime Minister Netanyahu and his cabinet members made strong statements against this phenomenal deal between world powers and Tehran. Throughout the period of interim agreement Israel tried to sabotage the talks through heavily influenced media and its lobbies in US. Because of Israeli

propaganda this particular agreement faced difficulties in approval from the US congress.

## CONCLUSION

The relations between both states have changed greatly over the years. During the Shah's era, the periphery doctrine and common threats of USSR and unified Arab bloc kept the two countries on the same side. Although Tehran was unwilling to formally recognize Tel Aviv but they did have a number of secretive deals that were mutually beneficial. After the revolution, the relations between both states dramatically changed and the hold of the periphery doctrine was weakened, but still both countries complied against the common enemy with secret arms deal. However, during and after the Iran-Iraq war a number of geopolitical factors came into play which ultimately ended the covert relations between both states. The anti-Israeli rhetoric from Iranian clerics, as well as the weakening of the Arab bloc after Egypt-Israeli peace treaty made Tel Aviv turn away from Iran. Furthermore, the end of the Soviet Union and fall of Iraq eliminated both of the two countries major opponents. Since then Israel successfully worked with Washington to further isolate Tehran in the region. As Iran has become more isolated, it has also worked harder to gain relevance in the region. Because of its anti-Israeli rhetoric and support for Hezbollah Tehran succeeded to gain relevance in the region specifically in its rival Arab countries where a significant number of people did not see Iran as a threat to their countries and support it for its anti-Zionist policies.

Over the past decade, Iran has emerged as Israel's main rival. From Lebanon to Gaza to the dramatic 2011 revolts that swept through Egypt and the Arab world, Israelis view nearly every regional challenge through the prism of Iran. The nuclear agreement between Iran and P5+1 also played a phenomenal role in redemption of Iranian position in the region as an economic and political power. Furthermore the Iran's role in fight against the ISIS also made it a necessary ally for the Western powers. This scenario further escalated the tension between both rivals for the supremacy in the region. Despite brief attempts to relax tensions with the Islamic Republic in the late 1990s, any vestige of the periphery doctrine is now gone. Today, there is a basic incompatibility of interests between the two countries, suggesting that a return to even limited cooperation—as occurred both before and after the 1979 Islamic revolution—may no longer be possible.

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