

A Framework for Mutually Beneficial U.S.-Israel Defense Technology Cooperation

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The U.S.-Israel Memorandum of Understanding (MOU) expires in 2028. Along with Israel's actions in Gaza and the costly war with Iran, the MOU's impending expiration has prompted a growing debate over the future of the bilateral relationship.

J Street has previously [proposed](#) five principles for a mutually beneficial and politically sustainable security partnership:

- 1) The United States should maintain a strong security partnership with Israel where our interests align.
- 2) The United States should phase out direct financial support for arms sales to Israel and treat Israel as it does other wealthy U.S. allies.
- 3) U.S. arms sales and other forms of assistance to Israel should be fully consistent with American law.
- 4) U.S. arms sales to Israel should be further conditioned to incentivize alignment with American interests and laws — as has been the case with other allies and partners — when their behavior is inconsistent with U.S. interests.
- 5) The United States should continue to sell short-range air and ballistic missile defense (BMD) capabilities to Israel.

The first topic has drawn particular attention in recent months amid [proposals](#) that would significantly deepen defense, intelligence, and technology cooperation. A key concern is that expanded procurement, co-production, and joint development of new systems could simply replace the phased-out military subsidy with a different source of financing that is less visible to the American public and less subject to congressional scrutiny. In effect, this would deliver [similar financial benefits](#) to the Israeli government, while simply moving these funds from channels that can be leveraged and conditioned on Israeli behavior (in the State Department) to bureaucratic contracting channels (in the Department of Defense). Another concern is that jointly developed weapons could be used to carry out or enable actions that undermine U.S. interests or violate human rights and international humanitarian law.

At the same time, Israel can still be a valuable partner for the U.S. military, and access to its advanced technologies, weapons manufacturers, and human capital can serve America's strategic interests. Historically, the U.S.-Israel security partnership has benefited both the

United States and Israel in addressing several common threats on and off the battlefield. The two countries have worked closely together in the areas of counterterrorism strategy and cybersecurity. Also notable is their joint development of rocket and missile defense technologies. The two countries continue to work together to develop counter-unmanned aerial system (UAS) capabilities that both countries are likely to benefit from in the years ahead.

The goal should therefore be not to prevent all U.S.-Israel defense cooperation, but to ensure that it advances both countries' interests, remains politically accountable, and does not enable violations of U.S. and international law. The following principles provide a framework for achieving that balance.

1. The U.S. should not expand defense technology cooperation with Israel until there are fundamental changes in behavior from the Israeli government in Gaza, the West Bank, and Lebanon.

As long as Israel acts in contradiction of U.S. interests in Gaza, the West Bank, and Lebanon – and in a number of these cases, violates international humanitarian law – the United States should not expand military and defense technology cooperation with Israel. That does not mean existing programs – especially those focused on rocket and missile defense – should end.

J Street supports the Ceasefire Compliance Act, which ties Israel's ability to use U.S. weapons in Gaza and the West Bank to its good-faith implementation of the 2025 Gaza ceasefire agreement it has already agreed to, and its adherence to Israeli and international law in the West Bank. Today, Israel is not meeting those conditions. Before the U.S. and Israel come to any new major defense-technology agreements, Israel should meet the conditions outlined in the Ceasefire Compliance Act, and should also engage constructively to implement a ceasefire and withdrawal agreement in Lebanon.

2. All cooperative defense projects (with Israel and any other country) should contain explicit safeguards against the use of jointly developed technology to commit gross violations of human rights or serious violations of international humanitarian law.

Israel's actions in Gaza, the West Bank, and Lebanon indicate a risk that weapons jointly developed by Israel and the United States – including those to which American manufacturers contribute proprietary technology – could be used to harm civilians in violation of international law.

Existing U.S. law already links eligibility for arms sales and many other forms of security assistance to the conduct of recipient governments and security forces through a number of

legal provisions. Section 502B of the Foreign Assistance Act prohibits security assistance to “any country the government of which engages in a consistent pattern of gross violations of internationally recognized human rights.” Section 620M (also known as the Leahy Law) bars assistance to specific units of foreign security forces if there is credible information that the unit has committed a gross violation of human rights. And Section 620I prohibits security assistance to any country that blocks or restricts U.S.-backed humanitarian aid.

Under current law, cooperative defense projects and the technology they develop appear to be subject to these same human rights restrictions as arms sales or other forms of security assistance; however, it is not fully clear whether they would be subject to all the same restrictions. The same conditions for eligibility for arms sales or other forms of security assistance should apply to any country that is benefiting from access to American technology through joint cooperative defense projects – including Israel. Therefore, any laws establishing new cooperative projects should make clear that these projects are subject to all relevant human rights conditions in the Foreign Assistance Act and other arms export laws.

These safeguards may reduce some countries’ desire to pursue cooperative projects with the United States. That is a price worth paying to ensure technology developed by America is used in accordance with U.S. law and values.

3. All major agreements for procurement, co-production, and joint development should be transparent and reviewed by the congressional foreign policy committees.

The Pentagon acquisition process – and the Armed Services committees that oversee it – evaluate procurement, co-production, and co-development decisions through the narrow lens of potential benefit to military capability, readiness, cost, schedule, and technical risk. Israeli technologies – and Israeli companies, engineers, and scientists – can indeed benefit the U.S. military. The Pentagon and Armed Services committees are therefore likely to view many arms purchases and joint projects with Israel favorably on their military merits.

But at a time when Israel’s far-right government is attempting to foreclose, rather than promote, the possibility of a lasting peace between Israelis and Palestinians – an outcome that is essential to America’s interest in regional stability – decisions to deepen cooperation with Israel must go beyond the narrow logic of military procurement and also consider America’s broader strategic interests in the region.

Agreements that deepen the military-to-military relationship should therefore be reviewed not only by the House and Senate Armed Services committees, but also by the Senate Foreign Relations Committee (SFRC) and the House Foreign Affairs Committee (HFAC). Existing law already recognizes that certain cooperative defense projects are also foreign policy decisions.

Section 27 of the Arms Export Control Act requires advance foreign policy committee notification for certain cooperative defense agreements. The same review process should apply to all cooperative defense agreements – not just with Israel but with any country.

4. All U.S. procurement, licensing, and co-production arrangements with Israel should address a U.S. military requirement that American manufacturers cannot meet as effectively, rapidly, or affordably on their own.

There is a strategic benefit to maintaining the U.S. military's sovereign capabilities, where possible. Agreements that forgo that benefit by incorporating Israeli technology into the U.S. defense architecture should therefore be required to demonstrate a clear benefit to doing so. Israeli technology has directly benefited the American military in the past, including the [Trophy](#) system, which protects American tanks; enhancements Israel developed for the [F-35](#); and the [co-production of Iron Dome](#) for the U.S. Marines. This principle ensures that American procurement of Israeli technology is in both countries' interests, as it can and should be. It also ensures that procurement does not become a back door for the annual subsidy.

Joint initiatives should focus on shared challenges – including cyber, missile defense, and counter-UAS – and require genuine cost-sharing to ensure that both countries benefit. And the focus should be on weapons that both countries will field in the future. If a program is focused on systems that only Israel will field, Israel should cover the full cost. The executive branch should be able to certify to Congress that these conditions have been met before any new cooperative defense-technology program begins. Again, this bar should exist not just for Israel but for any wealthy security partner.