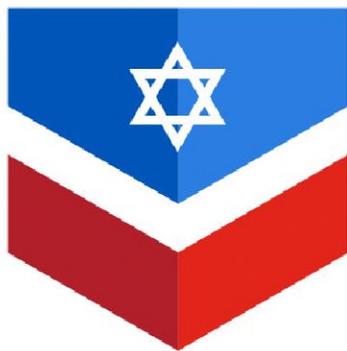


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Policy and Updates on the US and Israel Alliance

The U.S.-Israel Security Partnership and Its Measurable Value to America

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The strategic relationship between the United States and Israel is often discussed through the narrow frame of foreign aid spending. That focus overlooks a much larger and better-documented reality. A recent [analysis](#) finds that the partnership delivers an estimated \$48 billion in annual benefits to the United States. This figure stands in stark contrast to the roughly \$3.3 billion in U.S. security assistance appropriated for Israel each year, showing a return that far exceeds the initial outlay.

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Key Takeaways

- The U.S.-Israel alliance provides at least \$48 billion per year in measurable benefits to the United States.
- Israel serves as a real-world testing environment for U.S. weapons systems without risking American troops.
- Israeli intelligence has prevented major terrorist attacks and saves billions in avoided economic losses.
- Joint missile defense, medical, and technology programs generate direct revenue and savings for the U.S.
- Most U.S. military assistance to Israel is spent inside the American defense industry.

Measuring the Strategic Return

The analysis relies on recent reports from U.S. and Israeli defense agencies and focuses on tangible outcomes rather than political claims. It compares U.S. expenditures with savings, revenues, and avoided costs tied directly to cooperation with Israel. The conclusion is that the relationship produces a large net gain for U.S. national security and the American economy.

Unlike many overseas partnerships, the United States does not maintain a permanent military presence in Israel. Israel defends its own territory while advancing shared regional interests. This arrangement allows the U.S. to benefit from strategic coverage in the Eastern Mediterranean without paying the high costs associated with overseas bases and large troop deployments.

Israel as a Live Testing Ground for U.S. Defense Systems

One of the most valuable benefits for the United States is Israel's role as a high-intensity testing environment for American military technology. U.S.-made aircraft, armored vehicles, and munitions are used in active combat conditions in Israel more frequently than in any other

allied country. The Pentagon receives detailed performance data that would otherwise require American forces to face direct danger.

Missile defense programs show this clearly. Systems such as Iron Dome, David's Sling, and Arrow-3 were field-tested in Israel under real threat conditions before being licensed for broader use. A 2023 Reuters report and information from Boeing show that the Arrow-3 sale to Germany alone generated \$3.5 billion in revenue, with up to half of the work performed by U.S. contractors. These programs support American manufacturing jobs while strengthening allied defense capabilities.

Intelligence That Saves Lives and Money

Israeli intelligence cooperation provides the United States with early warnings on threats tied to Iran, Syria, and terrorist organizations targeting U.S. interests. One widely reported example occurred in 2017, when Israeli operatives uncovered a plot by ISIS to bomb commercial airliners using explosive laptop batteries. Reporting by the New York Times and CNN showed that this intelligence led to tighter international aviation security measures and likely prevented mass casualties.

According to the Department of Defense, actionable intelligence provided by Israel saves the United States about \$2.6 billion annually in avoided economic losses. These estimates are based on airline industry and liability benchmarks referenced in a 2024 Department of Transportation guidance document. The savings reflect prevented attacks, reduced disruptions, and avoided recovery costs.

Avoided Deployment Costs and Regional Deterrence

The United States also saves by not stationing troops in Israel. A 2024 Government Accountability Office report estimates that avoiding a permanent deployment in Israel saves roughly \$2 billion per year when compared to long-term U.S. force commitments in places such as Japan, South Korea, or Europe. Israel provides its own troops while maintaining regional coverage aligned with U.S. interests.

Israel also serves as a deterrent to Iran's nuclear ambitions, including systems that could one day threaten North America. While the analysis did not assign a dollar value to this role, it represents a direct security benefit for the United States that would otherwise require far greater U.S. involvement.

Medical, Technology, and Cybersecurity Gains

Israeli battlefield medicine has had a lasting impact on American emergency care. Techniques adapted from Israeli trauma treatment formed the basis of the "Stop the Bleed" initiative in the United States. According to a March briefing by the American College of Surgeons, these practices save about 300 American lives each year, with an estimated \$4.1 billion annual societal welfare impact.

Technology cooperation also produces steady returns. Joint research supported by the Israel-United States Binational Industrial Research and Development Foundation generates about \$1.2 billion per year for the U.S. economy. In cybersecurity, joint simulations help protect critical infrastructure such as water and power systems. Reports citing 2024 IBM data estimate roughly \$100 million in avoided losses each year from these efforts.

Trade and Industrial Benefits

The economic relationship extends well beyond security matters. In 2024, Israel purchased \$14.8 billion in U.S. goods, contributing \$13.2 billion to U.S. gross domestic product. Most of the \$3.3 billion in annual Foreign Military Financing provided to Israel is spent inside the United States on American-made defense equipment, supporting U.S. jobs and production lines.

Conclusion

When measured across defense testing, intelligence sharing, medical advances, technology cooperation, and trade, the U.S.-Israel partnership delivers a clear and substantial return. The \$48 billion annual benefit identified in the Federal Newswire analysis far exceeds the costs associated with the relationship. For American policymakers and taxpayers, the evidence shows that cooperation with Israel is not a charitable expense but a strategic investment that pays consistent dividends year after year.

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