

**Europe and the Middle East:  
Towards A Substantive Role in the  
Peace Process?**

**Roland Dannreuther**  
Senior Lecturer, Department of Politics  
Edinburgh University

The Middle East is the region where Europeans have, arguably, most strongly felt their loss of great power status. During the nineteenth century, European powers encroached upon, occupied and annexed various territories in the Middle East. With the disintegration of the Ottoman Empire after World War I, Britain, and to a lesser degree France, became the undisputed external actors in the region and in large part created the modern Middle Eastern state system.<sup>1</sup> Although a certain degree of power was devolved to local leaders, Britain and France ensured their prerogatives over foreign and defence issues and assumed responsibility for regional stability. Other powers, such as the Soviet Union and the United States, were not absent from the region but did not essentially challenge the European hegemony. The Soviet Union's power projection had been greatly reduced in the aftermath of revolution, civil war and internal consolidation; the United States deliberately abstained from assuming a political role, with all its tainted colonial connotations, and only demanded an 'open doors' policy in relation to its trade and commercial interests. In this relatively unchallenged strategic environment, Britain had a remarkable freedom to act as the principal regional security actor. In practice, the period of British dominance was to be relatively brief, being characterised by one historian as 'Britain's moment' in the Middle East, and was also increasingly to be frustrated by the growing inter-ethnic conflict in Palestine.<sup>2</sup>

---

<sup>1</sup> David Fromkin, *A Peace to end all Peace: Creating the Modern Middle East, 1914-1922* (London: Penguin, 1991); and L. Carl Brown, *International Politics and the Middle East: Old Rules, Dangerous Games* (London: Tauris, 1984).

<sup>2</sup> Elizabeth Monroe, *Britain's Moment in the Middle East, 1914-1956* (London: Chatto and Windus, 1963).

It was, in fact, over the Palestine question that the new post-World War II disposition of power first became apparent. At the newly formed United Nations, it was the convergent interests of the United States and the Soviet Union, both of whom had an ideological aversion to traditional European colonialism, who secured the decision for the partition of Palestine and the creation of the state of Israel against the expressed wishes of the British government.<sup>3</sup> With the onset of the Cold War and the need to contain the threat of Soviet expansionism, the United States swallowed some of its anti-imperialist scruples to sanction the continuing hegemonic influence of the European powers in the region. However, any remaining illusions of Europe's great power status were brutally undermined during the Suez crisis in 1956 when an enraged President Eisenhower demanded and secured, after sustained political and financial pressure, a humiliating withdrawal of the British, French and Israeli forces from Egyptian territory.<sup>4</sup> The Suez crisis coincided with the first major Soviet penetration into the region, most notably through its alliance with the radical regimes in Egypt and Syria. In response, the United States increased its engagement in the region and assumed the role as the principal guarantor of Western interests in the region. From the mid-1950s onwards, the Middle East became incorporated into the structure of the Cold War with the countries of the region being aligned with their respective superpower patrons. In this more rigid bipolar structure, an independent European strategic role was either made redundant or became, as with the continuing British presence in the Persian Gulf, economically unsustainable.

Europe's enforced subordinate role in the Middle East was a source not only of a certain resentment but also an increased sense of vulnerability, particularly as the political and economic stakes were greatly raised by the OPEC embargo and oil price rises of the 1970s. With the end of the Cold War, Europe's ambition to become a more prominent political actor and to fill the vacuum left by the Soviet/Russian withdrawal became even more insistent and determined. For European leaders, the

---

<sup>3</sup> Michael J. Cohen, *Palestine and the Great Powers, 1945-1956* (Princeton, N.J.: Princeton University Press, 1982).

<sup>4</sup> Anthony Nutting, *No End of a Lesson: The Story of Suez* (London: Constable, 1967).

justification for such an expanded role appears almost self-evidently true. They point to the region's geographical proximity, the economic penetration by European business, the considerable degree of dependence and vulnerability, not only in terms of oil imports but also in terms of domestic order and stability. As former French Foreign Minister, Hervé de Charrette, noted "when violence returns to the Middle East, sooner or later it will show up in Paris".<sup>5</sup> There is the expressed ambition of translating the economic strength and unity of Europe, as embodied in the European Union, into a corresponding political and strategic capability. There also remains the conviction, however justified in practice, that Europe's historical associations and knowledge grant it a more nuanced understanding and sensitivity to regional and local dynamics and that Europe can play an essential and constructive role complementing and, if necessary, balancing the US predominance in the region.<sup>6</sup>

This chapter examines the extent to which Europe has managed to translate this ambition to regain a more prominent political role into practice. The principal focus of this paper is on Europe's engagement with the Middle East peace Process. First, there is an analysis of the historical evolution and progress in Europe's engagement. Second, there is a more general assessment of the strengths and weaknesses of Europe's role and the degree to which Europe has managed to be taken as a more serious actor in the resolution of this central conflict in the Middle East.

The argument that this paper seeks to demonstrate is that Europe has managed to promote itself during the 1990s as a more coherent and strategic actor towards the Middle East. It has secured a more notable presence in the Middle East peace process, to which it had earlier been excluded, and that this role has been strengthened by the adoption of a comprehensive regional strategy, as outlined in the Euro-Mediterranean Partnership or 'Barcelona Process'. Europe's credibility does, nevertheless, continue to be weakened by the lack of political

unity and the institutional weaknesses and bureaucratic complexities of the European Union. In this context, Europe cannot expect to supplant the primacy of the United States which has the political and military capabilities that Europe lacks. However, Europe has certain strengths, such as its greater economic penetration, and certain advantages, such as more intensive relations with some of the Arab parties to the dispute, which provide it with an important complementary role to US efforts to secure an enduring peace settlement.

## The Middle East Peace Process

The attempts by the member states of the European Community to play a collective role, independent of the superpowers, in the Arab-Israeli peace process can be traced back to the 1970s.<sup>7</sup> The 1973 war and the subsequent Arab use of the oil weapon had heightened a deep sense of vulnerability, particularly as Europe depended for 80% of its energy supplies from the region as compared to only 12% for the United States. In its subsequent efforts to play a mediatory role in the Arab-Israeli conflict, European diplomacy appeared, at least from an Israeli and US perspective, to place its interests in energy security before those of impartial peacemaking. Significant European statements, such as the Brussels Declaration of November 1973, were to entrench a distinctly pro-Arab orientation. The subsequent Euro-Arab dialogue which followed was left unmatched by any parallel mechanism for ensuring a high-level interaction with the Israelis. During the proclaimed 'year of Europe' in 1973, the United States became disillusioned with Europe's failure to adopt a common Western stance and its willingness to submit to Arab demands to escape the oil embargo.<sup>8</sup>

---

<sup>5</sup> Interview with Hervé de Charrette, *Les Echos*, 8 April 1997.

<sup>6</sup> For an assertive French view on this, see Hubert Védrine, *France in an Age of Globalization* (Washington D.C.: Brookings Institution Press, 2000), pp. 90-100.

---

<sup>7</sup> For an analysis of early European initiatives, see François d'Alancón, "The EC looks to a new Middle East", *Journal of Palestine Studies*, Vol. 23, No. 2 (Winter 1994), pp. 41-51; and Ilan Greilsammer, "Failure of the European 'Initiatives' in the Middle East", *Jerusalem Quarterly*, No. 33 (Fall 1984), pp. 40-9.

<sup>8</sup> Kissinger famously described the European behaviour as 'craven and contemptible'. In his memoirs, Kissinger described the European response to the oil embargo as "nothing could have better illustrated the demoralization –

The Venice Declaration of June 1980, issued one year after the signing of the peace treaty between Israel and Egypt, was to represent the highpoint in European attempts to promote a distinct and common European stance towards the Arab-Israeli conflict. The Declaration asserted that the Palestinian problem was not “simply a refugee issue”, that the Palestinian people should be allowed to “exercise fully its right to self-determination”, and that the Palestine Liberation Organisation (PLO) should be included in any negotiations for a settlement. The Declaration also included unambiguous statements on the illegality of Israeli settlements, the need for an end to the Israeli occupation, and the inadmissibility of any unilateral initiative designed to change the status of Jerusalem.<sup>9</sup>

Twenty years later and the Venice Declaration still constitutes the basic principles of European policy towards the peace process. European leaders regularly highlight the historical prescience of the Declaration and how many of its key demands have been accepted and legitimated over time, most notably the need to include the PLO in the negotiating process and to accept the Palestinian right to self-determination. However, in terms of providing an immediate opening for a more assertive European role in the peace process, the Declaration was to prove a failure. For Israel, the Declaration only appeared to confirm Europe’s anti-Israeli bias, as was revealed in the furious denunciation issued by the Israeli cabinet a couple of days after: “Nothing will remain of the Venice decision but a bitter memory. The decision calls on us and other nations to bring into the peace process that Arab SS which calls itself ‘the Palestinian Liberation Organisation’;...all men of good-will in Europe, all men who revere liberty, will see this document as another Munich-like capitulation to totalitarian blackmail and a spur to all those seeking to undermine the Camp David Accords

and derail the peace process in the Middle East”.<sup>10</sup>

The Venice Declaration represented a low-point in Israel’s relationship with the European Community. Relations were not to improve during the 1980s as a series of European statements and Declarations, following the Israeli invasion of Lebanon in 1982 and the start of the Intifada in December 1987, became increasingly critical of Israeli policies and more open in their support of the PLO and the right of Palestinian self-determination. A consistent Israeli stance emerged, which gained support from across the political spectrum, that the European Community had no legitimate role to play in the peace process. The United States, for its part, felt under no obligation to pressure Israel to accept a more prominent European role given that European conceptions of the modalities of the peace process differed substantially from those held by successive US administrations. The Arab states were, naturally, gratified by the support given to them by the Europeans and were keen to have a counterweight to the United States’s perceived uncritical support of Israel. But, they were conscious of the inability of the Europeans to exert leverage on Israel and the underlying reality that, in Sadat’s phrase, the United States held ‘99% of the cards’ in terms of securing a peace settlement. The more radical Arab states could also rely on the Soviet Union to play a more consistent and practical role in balancing the US-Israeli alliance, most notably by providing the arms and weapons needed to gain a strategic counterweight to Israel’s military dominance. Symptomatic of Europe’s marginalisation in the peace process was that the Venice Declaration was quickly eclipsed by an Arab peace plan, the Fahd Plan of 1981, which was itself overtaken by the Reagan Plan of the same year.<sup>11</sup>

The end of the Cold War, the decline of the Soviet Union/Russia as a regional actor in the Middle East, and the successful UN coalition formed to expel Iraq from Kuwait appeared to

---

verging on abdication – of the democracies”. See Henry Kissinger, *Years of Upheaval* (London: Weidenfeld & Nicolson, 1982), p. 897.

<sup>9</sup> “Declaration of the European Council on the Euro-Arab Dialogue and the Situation in the Middle East”, European Council, Venice, 12-13 June 1980. Text found in Walter Lacquer and Barry Rubin (eds.), *The Israel-Arab Reader: A Documentary History of the Middle East Conflict* (New York: Penguin, 1985), pp. 414-415.

---

<sup>10</sup> Quoted in Rosemary Hollis, “Israeli-European Economic Relations”, *Israel Affairs*, vol. 1, no. 1, 1994, p. 125.

<sup>11</sup> For a good analysis of this period, see Joel Peters, “Europe and the Middle East Peace Process: Emerging from the Sidelines”, in Stelios Stavrides, Theodore Coloumbis, Thanos Veremis and Neville Waites (eds.), *The Foreign Policies of the European Unions’ Mediterranean States and Applicant Countries in the 1990s* (Basingstoke: Macmillan, 1999), pp. 295-316.

offer the European Community a new opportunity to become more substantively involved in the peace process. In European capitals, there was an expectation that an international conference, under the auspices of the United Nations, would be convened where the European Community would play a major role.<sup>12</sup> These hopes were not, however, to be realised. The United States took it upon itself to set up the institutional framework for developing the peace process which, despite being held in Madrid, offered only a minor role for the European Community. Responding to the changed international conditions, the US administration decided to accede to the longstanding Soviet demand to be treated as a co-equal in the peace process, granting the now exhausted and disintegrating Soviet Union the formal role as co-chair of the Conference. The Europeans were excluded from any role in the principal bilateral negotiations between Israel and the respective Arab parties to the dispute. Instead, they were invited to participate in the multilateral talks which were set up to deal with the more regional and functional issues related to the peace process.

The end of the Cold War and the successful prosecution of the Gulf War did not, therefore, immediately advance the EU's ambitions to secure a more prominent role in the Arab-Israeli peace process. As before, Europe's credentials for such a role were undermined by a combination of Israeli-US distrust and an incapacity to translate the rhetorical support it provided for the Arab and Palestinian cause with any effective tools of leverage. The breakthrough in Oslo in 1993, when Israel acquiesced to the principle of direct negotiations with the PLO, did not immediately improve this situation. Despite the seeming confirmation of the long-held European principle of the need for direct Israeli-PLO negotiations, the EU had no role in promoting the agreement. It was Norway, a non-EU country, which had managed to foster good relations with both parties to the dispute and had acted as the impartial mediator. Both Israel and the PLO also sought to legitimise and crown this breakthrough by obtaining a US blessing through

a ceremonial signing of the Oslo Accords on the lawn of the White House.<sup>13</sup>

With the signing of the Declaration of Principles, the European Union's fortunes did however begin to improve. In fairly swift succession, there were three significant developments which provided an impetus to the enhancement of the EU's presence and engagement in the peace process. First, the European Union capitalised on the role that it was given in the multilateral track of the Madrid process to promote a constructive image of its activity and to emphasise the substantive contribution it was playing in promotion of the peace process. The EU was entrusted with the running of the Regional Economic Development Working Group (REDWG) which was the largest of the five working groups and whose objectives were to facilitate the emergence of a more economically interdependent and pluralistic regional environment. The EU was naturally suited to this economic-driven multilateralist agenda and set about its responsibilities as 'gavel-holder' for the working group with some energy and direction. A number of projects were identified which focused primarily on infrastructural development or on exploring areas of sectoral development. These projects were coordinated into the so-called Copenhagen Action Plan and the EU provided a significant proportion of the financial resources for their implementation. The EU also sought to institutionalise this emerging multilateral cooperation through establishing in 1994 a monitoring committee of the core regional parties – Egypt, Israel, Jordan and the Palestinians – which would oversee the implementation of the Copenhagen Action Plan. In 1995, a secretariat was established in Amman where, under EU tutelage, officials of these countries cooperated and worked together.<sup>14</sup>

These admittedly relatively modest successes did nevertheless cause some tensions with Washington, who sought to re-establish greater political control over the process of economic

---

<sup>12</sup> John Palmer, "The European Community and the Middle East Peace", *Middle East International*, 16 August 1991, pp. 17-18.

---

<sup>13</sup> David Makovsky, Making Peace with the PLO: The Rabin Government's Road to the Oslo Accord (Boulder, CO.: Westview, 1996).

<sup>14</sup> For an in-depth analysis of the Multilaterals, see Joel Peters, Pathways to Peace: The Multilateral Arab-Israeli Peace Talks (London: Royal Institute of International Affairs, 1996); and D. D. Kaye, "Madrid's Forgotten Forum: The Middle East Multilaterals", *The Washington Quarterly*, Vol. 20, No. 1, 1997, pp. 167-186.

integration. The EU was angered by the unilateral US decision to host the donor's pledging conference for the Palestinians in Washington in October 1994 and its insistence that the World Bank rather than the REDWG should be responsible for overseeing the dispersal of the aid.<sup>15</sup> Despite this setback, the Europeans continued to seek to nurture its image of disinterested economic support for the peace process through commitments of substantial financial assistance. The EU established itself as the most substantial non-military financial supporter of the peace process.<sup>16</sup> In particular, the EU took on the main financial burden of supporting the Palestinian Authority. Over the period from 1994-99, the EU provided over US\$2 billion of support to the Palestinians and became the economic lifeline for the administrative operations of the Palestinian Authority.<sup>17</sup> It is questionable that the PA could have survived over this period without this European financial support.

The second development which projected a more visible European presence in the peace process was the launching of the Euro-Mediterranean Partnership (EMP) with 12 Mediterranean countries in November 1995, more commonly known as the 'Barcelona Process' after the city in which it was launched. The Barcelona Process was, from the beginning, self-consciously designed to be independent from, and not to be held hostage to, the Middle East peace process. A strict formal distinction was made between the two processes with different institutions and actors within the EU holding primary responsibility for these two policy areas. Although Israel and the Arab states represented the majority of the Mediterranean partners, the EU deliberately included a number of non-Arab partners, such as Malta, Cyprus and Turkey to counter-balance the in-built Arab majority.<sup>18</sup>

---

<sup>15</sup> Philip Robins, "Always the Bridesmaid: Europe and the Middle East Peace Process", *Cambridge Review of International Affairs*, Vol. 10, No. 2 (Winter/Spring 1997), p. 78.

<sup>16</sup> The United States has provided each year since the Camp David Treaty US\$5bn of primarily military aid to Israel and Egypt.

<sup>17</sup> "Interview with European Union Special Envoy, Miguel Moratinos", *Europe Magazine*, No. 382, December/January 1998-99, p. 30.

<sup>18</sup> The Mediterranean partners are Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Palestinian Authority, Syria, Tunisia and Turkey.

The promotion of the idea of a Mediterranean region, which many have viewed to be an artificial construct, had a similar underlying rationale.<sup>19</sup> The idea was to encourage a regional process of integration which would break down barriers not only between the rich European countries and the poorer South but also between the southern Mediterranean countries themselves. It was hoped that this vision of regional cooperation would transcend traditional regional configurations, such as the normal distinction between North Africa and the Middle East. In a similarly unconventional manner, security concerns were included in the Barcelona Process but approached through a 'comprehensive' security paradigm which saw the roots of conflict as primarily due to the failure of economic development, regional economic integration and the lack of respect for human rights and democracy. It was these longer-term 'deeper roots' of conflict, rather than the immediate political resolution of current conflicts, which the EMP sought to address.<sup>20</sup>

Even if the vision of the EMP has obtained wide support and even praise, it has been far more difficult to translate into practice.<sup>21</sup> The economic objectives which are at the heart of the process, and which envision the establishment of a free trade area by 2010, have not developed a significant momentum. In contrast to the advances made by the countries of Central and Eastern Europe (CEECs), the Arab Partners have fallen even further behind in terms of economic development and liberalisation. The ambition to

---

<sup>19</sup> See, for example, Stephen C. Calleya, *Navigating Regional Dynamics in the post-Cold War World: Patterns of Relations in the Mediterranean Area* (Aldershot: Dartmouth, 1997); and Ole Waever and Barry Buzan, "An Inter-Regional Analysis: NATO's New Strategic Concept and the Theory of Security Complexes" in Sven Behrendt and Christian-Peter Hanelt (eds.), *Bound to Cooperate: Europe and the Middle East* (Gütersloh: Bertelsmann Foundation, 2000).

<sup>20</sup> For analyses of the problems of this approach, see Roberto Aliboni, "Re-setting the Euro-Mediterranean Security Agenda", *International Spectator*, Vol. 33, No. 4 (October-December 1998) and Claire Spencer, "Security Implications of the EMPI for Europe", *The Journal of North African Studies*, Vol. 3, No. 2, 1998.

<sup>21</sup> For a good assessment, see George Joffé, "Europe and the Mediterranean: The Barcelona Process Five Years On", *Royal Institute of International Affairs Briefing Paper*, No. 16, August 2000. For a more detailed analysis, see George Joffé (ed.), *Perspectives on Development: The Euro-Mediterranean Partnership* (London: Frank Cass, 1999).

promote south-south trade, meaning enhanced trade between the Mediterranean Partners, has also failed to materialise. The traditional hub-and-spoke pattern of EU trade with the region remains intact. A key problem has been the absence of an economic elite in the South pushing for the opening up of domestic markets to competition and who can pressure the predominantly introspective and security-obsessed regimes.<sup>22</sup> For its part, the EU's institutional weaknesses and the failure to prioritise the often conflicting objectives of the EMP have also contributed to the slow progress.<sup>23</sup> When comparing the Mediterranean Partners with the CEECs, it is clearly evident that the EU has been less willing to promote political conditionality; the financial support has been less generous, less focused and less readily disbursed; and EU member states have been even less open to providing access to certain sensitive markets, such as agriculture.<sup>24</sup>

Policymakers have also found it almost impossible to promote substantive advances in the EMP without there being a corresponding progress in the Middle East peace process. In practice, it has been difficult to disentangle the two processes. The Barcelona Process was built upon the foundations of the advances made by the peace process during 1993-94, most notably the agreements between Israel and the Palestinians and Jordan. The EMP, to a certain degree, replicated and expanded the model of the Multilaterals of the Madrid Process. This close synergy has meant that whenever the Peace Process has been in crisis, the EMP has also suffered. During 1996-97, when Netanyahu was in power and there was a breakdown in Arab-Israeli relations, progress on the EMP almost ground to a halt.<sup>25</sup> With the onset of the al-Aqsa

Intifada in 2000, the long-awaited Charter for Peace and Security, which was expected to be signed in Marseilles, had to be shelved.

Despite all these problems associated with the Barcelona Process, its overall impact has been to improve Europe's profile in the region generally, and in the Middle East peace process in particular. Three specific factors can be identified in relation to the peace process. First, the EMP provided a multilateral forum in which Israel, the Palestinians and the front-line Arab states have become participants, which is more inclusive than the narrower focus of an American-dominated peace process. It is notable that Syria and Lebanon agreed to participate within the regional bodies associated to the EMP and not in the Multilaterals. As Volker Perthes has noted, the EMP has a potential, if as yet unrealised, role to play for Syria and Lebanon in providing an institutional framework for their economic and political opening up which is not dominated by Israel's regional economic and political might.<sup>26</sup> Second, the EMP, despite all its faults and failures, remains in Eberhard Rhein's terms "the only game in town".<sup>27</sup> The key challenge for the Arab Partner states is to participate more fully into the global economy, to liberalise their economic and political systems, which, in practice, entails a process of integration with the neighbouring economic giant of the EU. The EMP has provided the institutional mechanism where this reality of the economic, political and social linkages between the EU and the neighbouring Arab world has been formalised and made transparent. The success or failure of the EMP will, to a significant extent, determine the success or failure of the countries of the Arab Middle East in escaping their current marginalisation in the global economy. The third factor is that the EMP has raised considerably Europe's economic and political stakes in

---

<sup>22</sup> Eberhard Keinle, "Destabilization Through Partnership? Euro-Mediterranean Relations after the Barcelona Process", *Mediterranean Politics*, Vol. 3, No. 2 (Autumn 1998), pp. 1-20.

<sup>23</sup> Richard Youngs, "The Barcelona Process after the UK Presidency: The Need for Prioritization", *Mediterranean Politics*, Vol. 4, No. 1 (Spring 1999), pp. 1-24.

<sup>24</sup> Recognition of this from within the EU can be seen in Chris Patten, "Common Strategies for the Mediterranean and Reinvigorating the Barcelona Process", Speech to the European Parliament, 31 January 2001 in: [www.europa.int/comm/external\\_relations/news/patten/speech\\_01\\_49.htm](http://www.europa.int/comm/external_relations/news/patten/speech_01_49.htm)

<sup>25</sup> Fred Tanner, "The Euro-Med Partnership: Prospects for Arms Limitations and Confidence Building after Malta",

---

*The International Spectator*, Vol. 3, No. 2, 1998, pp. 202-211.

<sup>26</sup> V. Perthes, "The Advantages of Complimentarity: The Middle East peace process" in Hall Gardner and Radoslava Stefanova (eds.), *The New Transatlantic Agenda: Facing the Challenges of Global Governance* (Aldershot: Ashgate, 1999), p. 114; and V. Perthes (ed.), *Scenarios for Syria: Socio-Economic and Political Choices* (Baden-Baden: Nomos Publishers, 1998).

<sup>27</sup> Eberhard Rhein, "Peacemaking in the Middle East: Reflections on the End-Game", Brussels, 6 April 2002 in [www.euromesco.org/euromesco/publi\\_artigo.asp?cod\\_artigo=74988](http://www.euromesco.org/euromesco/publi_artigo.asp?cod_artigo=74988).

overseeing the success of the peace process. Paralysis in the peace process not only represents a threat to the significant European financial commitments to that process, most notably in the Palestinian Authority; it also threatens to undermine the much broader objectives and purposes of the EMP, which seek to deal with the more general problems of regional instability and to stem the migratory flows and the export of terrorism and extremism, especially from North Africa. As a breakdown in the peace process threatens to undermine these broader and more vital European interests, so Europe's stake in an enduring Arab-Israeli peace settlement has become more urgent.

It is this increased structural dependence of Europe for progress in the Arab-Israeli conflict which at least in part contributed to the third development in the mid-1990s which enhanced the EU's profile. This was the prominent and activist role taken by EU states and by the EU when Arab-Israeli relations deteriorated in late 1995-96. A succession of events contributed to this breakdown: the Israeli 'Grapes of Wrath' intervention into Lebanon; the election of the Netanyahu government in March 1996; the provocative opening of a tunnel near Arab holy places in Jerusalem in November; and the decision to construct a new Israeli settlement in East Jerusalem in February 1997. The European response was, in one sense, predictable and not dissimilar to earlier interventions. There were numerous declarations, the most significant of which was the Luxembourg Declaration of October 1996, which were highly critical of Israel.<sup>28</sup> For the most part, blame for the deterioration in the peace process was laid squarely at the feet of the new Netanyahu government. Also characteristically, France, under the newly elected President Jacques Chirac, pursued an independent and overtly pro-Arab policy which managed to irritate not only Israel and the United States but also the more Israeli-supportive EU states, such as Germany and the United Kingdom.<sup>29</sup>

Unlike previous occasions, though, this time the European activism was not limited to bluster and rhetoric. Despite US uneasiness, France did contribute diplomatically to the resolution of the 'Grapes of Wrath' intervention through its contacts with Syria and Iran which made possible a compromise between Israel and Hizbullah, which facilitated an Israeli withdrawal.<sup>30</sup> In October 1996, the EU appointed a special envoy to the peace process, the Spanish diplomat Miguel Angel Moratinos, who was given the task of maintaining contacts with all the parties to the dispute and providing support to the EU Presidency. Although his appointment was initially treated with traditional Israeli condemnation and US disdain, he assumed a deliberately low-level and uncontroversial profile which aimed to build up trust and to project a constructive EU role. The appointment in 1999 of the former Secretary General of NATO, Javier Solana, to the post of High Representative of the CFSP, provided enhanced political credibility and offered a much-needed element of continuity to EU policy which could buttress the work of Moratinos.

The eventual outcome of all these initiatives and institutional developments was that, when the Clinton administration decided to play a much more intensive hands-on role in the peace process, the EU was finally granted the diplomatic role which it had so long sought. This was a role which the EU recognised could not and should not seek to supplant or even 'balance' the primacy of US mediation but one where Europe could 'complement' the efforts made by US leaders and diplomats.

This promotion of a more modest European role significantly defused the transatlantic tensions which had undermined previous attempts at coordination and provided clear practical advantages for the US administration to utilise EU good offices in the search for a settlement.<sup>31</sup> In particular, the US began to recognise that the EU could play a critical third party role in

---

<sup>28</sup> "EU Declaration on the Middle East Peace Process", *European Union Press Release*, No. 59/96, 1 October 1996.

<sup>29</sup> Pia Christina Wood, "Chirac's 'New Arab Policy' and Middle East Challenges: The Arab-Israeli Conflict, Iraq and Iran", *Middle East Journal*, Vol. 52, No. 4 (Autumn 1998), pp. 563-80; and M. Bonnefous, "Réflexions sur une politique arabe", *Defence nationale*, Vol. 54 (1998), pp. 44-67.

---

<sup>30</sup> Perthes, "The Advantages of Complementarity", p. 116.

<sup>31</sup> For analyses of the transatlantic tensions in the Middle East during the mid-1990s, see Philip H. Gordon, "The Transatlantic Allies and the Changing Middle East", *Adelphi Paper* 322 (Oxford: Oxford University Press, 1998); and Robert D. Blackwill and Michael Stürmer (eds.), *Allies Divided: Transatlantic Policies for the Greater Middle East* (Cambridge: Center for Science and International Affairs, 1997).

relation to the Palestinians, who were naturally sceptical of the ability of the US to be a fully impartial mediator and who also naturally turned for diplomatic support to the Europeans to whom they were so financially and politically indebted. When US-promoted agreements between Israel and the Palestinians were reached, such as the Hebron Protocol of 1997 or the Wye River Memorandum of 1999, both the US and the EU signed letters of reassurances in support of the implementation of these agreements. In March 1999, the EU issued the Berlin Declaration, which proclaimed the landmark decision to support a Palestinian state, but whose diplomatic purpose, coordinated with the United States, was to dissuade Yassir Arafat from unilaterally declaring a Palestinian state.<sup>32</sup> It was symptomatic of the increased trust on both the Israeli and Palestinian sides that, when a last-ditch effort to reach an agreement was made in Taba in January 2001, it was Moratinos who was asked by both parties to listen to their respective points of view.<sup>33</sup>

The period from 1998-2000 can be seen as the historic high-point of an intensive and constructive EU presence and role in the Middle East peace process. While the EU recognised that its role was to be subordinate to the United States and that it had to match its rhetoric with practical policy initiatives, the United States accepted that the EU could play a facilitating and complimentary role. Even the Israeli government under Ehud Barak began to discard some of its entrenched suspicions of European intentions. Much of this progress has, of course, been lost with the onset of the al-Aqsa Intifada, the rise of Palestinian suicide bombings, the coming to power of conservative governments in both the United States and Israel, and the concerted attempt by the government of Ariel Sharon to destroy the functioning of the Palestinian Authority in its anti-terrorist campaign. In this changed strategic landscape, Europe appears to have reverted to its earlier condition of impotent marginalisation. Its criticisms of Israeli policy have again elicited a furious Israeli response and

reignited Israeli distrust which has been received sympathetically with the new administration in Washington.<sup>34</sup> As this administration has deliberately sought to distance itself from the peace process, and not to follow the pattern of Clinton's intensive engagement, the inability of the EU to fill the diplomatic vacuum has again raised all the traditional self-doubts. The EU appears paralysed, unable to reach a consensus between its member states, as made evident in the failure to agree to impose sanctions on Israel. The significant financial support over the past decade to the Palestinian Territories has been made almost worthless by the Israeli military re-occupation and the extensive damage that this has inflicted on the infrastructure of the West Bank and Gaza Strip. As the Arab-Israeli conflict is in crisis, the Barcelona Process appears in tatters. To what extent has this crisis again exposed the essential weakness and lack of strategic capability of the European Union and its member states?

### **Strengths and Weaknesses of Europe's Role**

It is certainly the case that, when the relations between Arabs and Israelis deteriorate and the peace process is in abeyance, Europe's structural weaknesses and problems are immediately made transparent. It is also natural that unfavourable contrasts are made with the United States. First, it highlights the most salient fact that the European Union, unlike the United States, is not a unitary actor and that there does not exist in reality a common European Middle East policy. For historical, cultural and geographical reasons, the EU member states have differing interests, and diverging levels of engagement, with the countries of the region. This can be illustrated by Europe's relations with Israel. France, with its historic ties to Syria and Lebanon, its sympathy towards Iraq, and its close linkages with the Maghreb inclines it towards a pro-Arab stance. Other Mediterranean EU states, such as Spain, Italy and Greece have a similar tendency to favour the Palestinian cause. The United

---

<sup>32</sup> European Union Presidential Conclusions, Berlin European Council, 24-25 March 1999 in [www.europ.int/external\\_relations/mepp/decl/index.htm#9](http://www.europ.int/external_relations/mepp/decl/index.htm#9)

<sup>33</sup> For Moratinos's summary of the various positions of the negotiating parties at Taba, see "Les Minutes des négociations de Taba, par M. Moratinos", *Le Monde Diplomatique* on [www.monde-diplomatique.fr](http://www.monde-diplomatique.fr).

---

<sup>34</sup> Note the Israeli claims that EU funds were diverted by Arafat to fund terrorist activities, see *Financial Times*, 7 May 2002.

Kingdom, while trying to differentiate itself from the instinctively critical stance taken by France, also finds its historic relations with Jordan and the Gulf states promoting a pro-Arab orientation. In contrast, Germany and the Netherlands have strong historical and ideological reasons to be considerably more supportive of Israel.

The problem of the divergences between the European states is exacerbated by the institutional complexity of the European Union itself. In terms of EU foreign policy, there is a division between its external economic relations, which operates within the partially supranational decision-making of the European Community, and the foreign and security policy, which lies within the intergovernmental framework of the CFSP.<sup>35</sup> Formally, there are four institutions which are involved in foreign policy: the European Council, the General Affairs Council, the European Commission and the European Parliament. The question of who runs EU policy over the Middle East is not easy to answer as those potentially involved include the High Representative, several commissioners, including most notably Chris Patten as commissioner for external affairs, the special envoy to the peace process and fifteen foreign ministers. In a region where personalised diplomacy is so important, this multiplicity of potential EU actors, many of whom do not necessarily have a high profile, complicates the task of diplomacy. For the countries of the Middle East, this institutional complexity projects an image of the EU as lacking transparency and predictability. When ambitious projects like the Barcelona Process appear to be undermined by a byzantine bureaucratic structure, this can breed a more general sense of disillusionment.

These institutional constraints within the EU are reflected in its preference for an economic rather than a political engagement. This is especially evident in the Euro-Mediterranean Partnership where the economic component of the partnership, the Association Agreements and the objective of a Free Trade Area, have assumed a far greater prominence than the politico-security and socio-cultural components of the Partnership, which formally are supposed to have equal

---

<sup>35</sup> Jörg Monar, "Institutional Constraints of the European Union's Mediterranean Policy", *Mediterranean Politics* Vol. 3, No. 2 (Autumn 1998), pp. 39-60.

footing.<sup>36</sup> Whenever there is an attempt to insert a degree of political conditionality in this economic interaction – whether to sanction Arab states for abuse of human rights or Israel for its treatment of the Palestinians – consensus for action is rarely obtained.<sup>37</sup> In contrast with other neighbouring regions, such as the CEECs and even the Balkans, the economic incentives for changes in political behaviour are not supported by the political incentive of possible future EU membership. This greatly reduces Europe's power of leverage. In practice, it is difficult to dispel the impression that the EU's Mediterranean policy is a second-order priority compared to the objectives of integration of CEEC and conflict resolution in the Balkan states.

Finally, in terms of structural weaknesses, there remains the historical legacy of a deeply-embedded Israeli distrust of European intentions and good faith. It does not take much for the Israeli political establishment to articulate its suspicions towards the Europeans and to argue that Europe has disqualified itself from a broker role. Israel's principal ally, the United States, is not only more sympathetic to Israeli policies, having the political and military clout which the Europeans lack, but also tends to concur with the view of the essential illegitimacy of a European role. Richard Haas argues that Europe's alignment with the weaker Arab states has meant that "Europe has forfeited much of its ability to influence Israel but has gained little in so doing: indeed, there is not a bit of evidence to suggest that Europe has been able to elicit much flexibility from the Arab states and the Palestinians".<sup>38</sup> Israeli criticisms not only include Europe's perceived pro-Arab line but also the belief that Europe's policies are driven primarily by economic motives, which engender a lack of

---

<sup>36</sup> There are three dimensions of cooperation under the EMP: the 'political and security partnership', the 'economic and financial partnership' and the 'partnership in social, cultural and human affairs'. For a general discussion, see Alvaro Vasconcelos and George Joffé (eds.), *The Barcelona Process: Building a Euro-Mediterranean Regional Community* (London: Frank Cass, 2000).

<sup>37</sup> Youngs, "The Barcelona Process after the UK Presidency".

<sup>38</sup> Richard N. Haas, "The United States, Europe, and the Middle East Peace Process" in Blackwill and Stürmer (eds.), *Allies Divided*, p. 61-62.

appreciation of Israel's security concerns.<sup>39</sup> In darker moments, Israelis detect a continuing element of anti-semitism and Europe's failure to deal with its Muslims at home as factors informing European policies towards Israel.

These structural weaknesses in Europe's engagement in the Middle East and with the peace process are certainly significant obstacles. However, these weaknesses have to be counter-balanced by proper recognition of some of Europe's strengths which, in certain circumstances, give it a comparative advantage in relation to the United States. One such strength is that the Middle East is geographically closer to and economically more dependent on Europe than the United States. Europe is the main trading partner of practically all the Middle Eastern states, including Israel. In 2000, half of the trade of the Mediterranean Partner countries were with the EU, as compared to 14.1% with the United States.<sup>40</sup> The programmes that the EU has promoted for the region, such as the Euro-Mediterranean Programme, will tend to enhance and strengthen these strong trading and economic links. The dominant role that the EU has played in support of the Palestinians is indicative that the future economic prosperity of the region will be closely related to the financial support and the prospects for integration with Europe. The United States itself recognises that the lion-share of the financial support for reconstruction of the region in the event of a comprehensive settlement will come from Europe.<sup>41</sup> Moreover, the experience and the impetus that Europe brings to the region in terms of the importance of multilateralism, of the need to strengthen civil society and the rule of law, and the imperatives of economic and political integration are the key elements for medium- to long-term stability in the region. Over this more longer-term perspective, Europe's role is only likely to increase rather than diminish.

Certainly, in the shorter term, Europe's lack of political unity and military capability, and its identification with the Arab position, inhibits its

peacemaking prospects. But, it is important to counter-balance this with the problems that the United States faces in presenting itself as a neutral and disinterested mediator. For the Arab parties to the dispute, the US and Israeli positions often appear conflated and there is a justified scepticism of the ability of US administrations to apply pressure on Israel. It is now generally recognised, even in Washington, that any sustainable settlement will demand concessions from Israel which the US will alone be incapable of imposing and will require a concerted international effort, including not only the Europeans but also other external actors, such as Russia and Saudi Arabia. The fact that Europe is less associated with Israel also makes European states preferred interlocutors with a number of regional actors with whom they often have historical ties and a deeper local knowledge. European states have a role to play in maintaining dialogue and seeking to integrate into the peace process countries such as Syria, Lebanon and Iran who have non-existent or poor relations with the US. There is also an important function that Europe can play in supporting the weaker bargaining position of the Palestinians and the Arab states. It is to ensure that this weakness is not translated into the making of concessions which would be perceived locally to be unjust and thus would not lead to a sustainable long-term political settlement. This is especially the case with the Palestinians who should not be expected to make significant territorial concessions on the West Bank and Gaza Strip when these territories are already very densely populated and barely economically viable.

The final point to make, as this paper has sought to demonstrate, is that Europe has become more realistic about its capabilities, has a better recognition of its weaknesses and has sought to promote policies which build upon its comparative strengths. There is less of a tendency to grandstand the United States or to attempt impotently to 'balance' the US, and a greater commitment to seek to complement US efforts. The promotion of strategies like the Euro-Mediterranean Partnership has sought to give Europe a more long-term and structured relationship with the region. There is also evidence of a greater degree of internal coordination with, for example, the creation of the positions of High Representative and of Special Envoy to the peace process, providing a

---

<sup>39</sup> Joseph Alpher, "The Political Role of the European Union in the Arab-Israeli Peace Process. An Israeli Perspective", *International Spectator*, Vol. 33, No. 4 (October-December 1998).

<sup>40</sup> "EU Trade Relations with the 12 Mediterranean Partner Countries", *Eurostat/02/32*, 15 March 2002.

<sup>41</sup> Gordon, "The Transatlantic Allies", p. 38.

greater degree of credibility and consistency to EU policymaking. Individual European states have also appeared more willing to cede diplomatic initiative to the EU, while the United States accommodated itself to accepting a more prominent role for the Europeans, at least during the second Clinton administration. Even Israeli suspicions have been partially allayed, though the criticisms offered by the Sharon government have suggested that they have been far from overcome.

## Conclusion

The Middle East is a region where Europe is bound to play an important role. There are close historical ties which infuse the relationship. The region is geographically close to Europe, not only in the sense that it can be considered Europe's 'Near Abroad' but also because the Middle East penetrates into Europe with the presence of sizeable Muslim and Middle Eastern communities. Europe's sense of vulnerability in relation to the Middle East, whether it be in terms of migration or the export of extremism, also impels an intensive engagement and involvement. The European economic penetration, and the absence of alternative opportunities for economic development in the poorer South, means that the two regions' fates are mutually intertwined. While the states and peoples of the Middle East can fear and resent their neighbouring economic hegemon and former colonial rulers, Europe also provides a practical model for how a war-torn region can secure peace and prosperity.

Europe's disengagement from the Middle East during the Cold War can, in retrospect, be seen as a historical anomaly. This exclusion was driven by the imposition of the bipolar ideological struggle and by the attendant process of decolonisation and imperial withdrawal. With the end of the Cold War, and the memories of European colonial rule fading or faded, Europe has regained the economic and political power to promote a legitimate presence and role in the region. To consolidate this role, Europe still has two major tasks to achieve. First, it must regain the ability to think and act strategically. Second, it must learn how to make its highly original new political construct, the 'less than a state but more than a regime' European Union, act more

efficiently and in a more unified and directed manner.

Clearly, these two tasks are intimately connected together. The Barcelona Process highlights both the strengths and the weaknesses of the Union's external strategy. On the one hand, it represents a strategy which attempts to offer a holistic, economically-focused and long-term vision for peace and prosperity in the region, which would be supported by the financial and political support of the EU and its member states. On the other, the process emerged as an untidy compromise between the EU member states, as a sort of parallel process to eastern enlargement, but without the commitment and the willingness to prioritise the desired goals and ambitions. As a consequence, the EMP has tended to diffuse its energies over so many issue areas that there has not emerged, as with the CEECS, a clear route map for the Mediterranean Partners of how they might secure the economic and political objectives or the rewards which they would obtain by fulfilling these objectives. In more strictly strategic terms, the EMP has made an unnecessary linkage between the security concerns of the North African states and the Arab-Israeli conflict. At the same time, the European engagement in the peace process is harmed by the strategic failure to realise the interconnections between the Arab-Israeli conflict and the Gulf region, which is reflected structurally in the exclusion of these states from the Barcelona Process, and the more general absence of a more coordinated European policy in that region.<sup>42</sup>

In terms of the Middle East peace process, the framework for a more structured and effective European strategy is now easier to delineate. First, Europe's role is not to seek to be the major peace broker, for which it does not have the political leverage or internal consistency, but to work in close cooperation with the other parties. Second, the European Council should assert its prerogative and exclusive responsibility over the Israel/Palestine issue so as to constrain unilateral

---

<sup>42</sup> Saleh al-Mani, "Barcelona's First Pillar: An Appropriate Concept for Security Relations" in Behrendt and Hanelt, *Security in the Middle East*, pp. 65-8; and Shahram Chubin, "Europe and Iran's Role in Regional Politics", in Christian-Peter Hanelt, Felix Neugart and Matthias Peitz (eds.), *Future Perspectives for European-Gulf Relations* (Gütersloh: Bertelsmann, 2000), pp. 55-75.

interventions by individual EU states. Third, the EU needs to determine more clearly its view on, and preferences for, the parameters of a peace settlement. In practice, this is now not so difficult to do since there is a clearer understanding, even amongst the parties in dispute, of the essential outline of a settlement. At the Taba talks in January 2001, for which Moratinos provided a full summary of the discussions, the Israelis and Palestinians came close to a mutually acceptable agreement.<sup>43</sup> A final settlement will inevitably have to be something close to what was almost agreed in Taba.

---

<sup>43</sup> “Les Minutes des négociations de Taba, par M. Moratinos”, *Le Monde Diplomatique* on [www.monde-diplomatique.fr](http://www.monde-diplomatique.fr).