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Israel and Europe Flashpoints on the Horizon

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Introduction

Over the past thirty to forty years, Israel and Europe have developed an ever-increasing network of economic, scientific and cultural ties. Those relations, however, have been marked of a number of conflicting trends leading to the emergence of a troubled and, at times, volatile relationship. A thriving economic partnership, yet a relationship, at the political level, that has been marked by tensions, disappointment, bitterness and, at times, anger. Most significantly those relations have been marked by sharp differences over the peace process with the Palestinians, and have been most prominent when Israel has been led right-wing governments committed to pursuing policies aimed at maintaining, if not expanding Israel's control of the occupied Palestinian territories.

The formation of the current Israeli government, a narrow right-wing government with a wafer-thin majority of one, does not necessarily signify a dramatic turning point in Israeli-European relations. It is likely, however, to amplify the pattern and the tensions that have strained this relationship. Over the coming year, Israeli-European relations are likely to be marked by a number of potential crises. Given the positions of the European Union and the composition/policies of the new Israeli government those flashpoints are somewhat predictable and cannot be avoided. It is the role therefore of those parties who are interested in fostering closer Israeli-European relations to develop strategies (short-term and long-term) to mediate the crises that loom on the horizon, so as to mitigate the potential fallout and the long-

term consequences for this relationship. The aim of this paper is develop such a discussion and suggest a number options that might be pursued by Israel and the European Union.

The Pattern of Israeli-European Relations

The pattern of Israeli-European relations is well known and does not need to be developed at length. Over the past thirty years Israel and Europe have become increasingly closer. Bilateral relations between Israel with many European countries have never been stronger. Today the balance sheet in terms of the wealth of personal and business connections that have been developed, the numerous joint cooperative ventures and the economic content of those ties is positive and solid.

Trade between the EU and Israel has flourished in the last decade. The EU is now Israel's most important trading partner, with the total trade amounting to approximately €29 billion in 2013. The deepest level of cooperation lies in field of scientific cooperation and in research and development, as witnessed by the response of the Israeli scientific community to the crises over the signing of the Horizon 2020 agreement last year.

The links between Israel and Europe go beyond simply a matter of trade and scientific cooperation. Israelis are attracted to European history, tradition, lifestyle and culture and attach importance to the cultural and sporting links with Europe. Europe and its cities are a favored destination for Israeli holidaymakers. Contemporary European studies, once marginal, are now flourishing at Israeli universities. Despite the concerns over the increase in anti-Semitic incidents in Europe and the unease with European positions on the Middle East peace process, the Israeli public is favorably disposed towards Europe and a large part of the population attaches great importance to the strengthening of relations with the EU. In short there is a marked dissonance between the daily interactions of much of the Israeli public with Europe and the public rhetoric, and the indifference, bordering at times on disdain, of much Israel's political elite, especially within right-wing and religious circles.

Without question, it is the friction over the peace process that has most soured Israeli-European relations, which have over the years become hostage to the vicissitudes of immediate events and specific developments (positive and negative) within the Arab-Israeli peace process. Many of the exchanges between Israel and EU on the peace process have consisted of finger-pointing and apportioning blame, rather than finding areas of common ground. The discourse often appears to be more intent of addressing unfinished business from the past, ignoring the substantive links of trust that have been built up within European and Israeli business, scientific and security circles.

Israelis are deeply suspicious of European policies, and are untrusting of Europe's intentions towards the Arab-Israeli conflict and to the region as a whole. As a result, Israel has been determined to minimize the EU's role in the peace process, and to deny it any direct involvement in the negotiations with the Palestinians. Israel has accused Europeans of not being sufficiently concerned about its security and that Europeans do not fully recognize Israel's hostile strategic environment, the nature of the short and long-term threats it faces and the policy dilemmas it faces in order to counter those threats.

In response to European criticisms of its policies, Israel has often been quick to point to the growth of anti-Semitism in Europe and the lack of genuine efforts by Europeans to undertake effective measures to counter this phenomenon, as a further indication of underlying European antipathy to Jewish concerns and interests, and by association, Israel's long-term security.

European position's position towards with Israeli-Palestinian conflict has been long-standing and well known, namely support for the establishment of a Palestinian state with Jerusalem as its capital. Although there is widespread support in European capitals over the contours of a solution to the conflict, there is less consensus over the strategies needed to bring about a peaceful resolution to the conflict.

European leaders and civil society see the need for a resolution to the Israeli Palestinian conflict as imperative. They have been long frustrated by the lack of progress in the peace process and are resentful of the way in which Israel has marginalized the EU's role. Israel's (over)reliance on military measures to secure its defense is seen in Europe as disproportionate and in contravention to international law and serves as a contributory factor to the rising tensions in the region. For Europeans, Israel needs to be more cognizant of the human aspects of security, such as the respect for human rights, economic welfare and development, and not just its military aspects.

European frustration over the lack of progress in the peace process has led many to start questioning Europe's substantial and ongoing financial support for the Palestinian Authority and institutions. Intended as a crucial means, and as an expression of its support for the emergence of a viable Palestine state, it is increasingly regarded in many quarters as simply enabling and underwriting Israeli policies and its continued occupation of the Palestinian Territories.

Above all, the European Union regards Israeli settlements in the West Bank (and East Jerusalem), and continued settlement construction, as not only illegal under international law but as a serious impediment to the emergence of a viable Palestinian state. More recently, and to the ire of the Israeli government, the European Union has begun to take measures to differentiate its dealings Israel and the West Bank, by bringing its practices towards Israeli settlements in line with its principles and with European legislation. This can be seen in the drawing up of the guidelines over the funding of projects within Horizon 2020 research and development program, and the more recent efforts to draw up clearer and more categorical guidelines over the labeling of Israeli products and goods produced in Israeli settlements.

Flashpoints on the Horizon

Differences between the positions of the European Union and the policies of new Israeli government are likely to lead to sharp differences and conflict of interests in a number of policy areas. None of these issues are new but reflect the trend and

ongoing tensions between Israel and the European Union in recent years. How the differences between Israel and European are managed, at both the practical and rhetorical levels are crucial for the future direction of Israeli-European relations. Below are five areas of potential friction between Israel and the European.

1. Labeling of goods produced in Israeli settlements.

In April 2015, a majority of EU foreign ministers (16 out of 28 European Union countries) sent a letter to EU foreign policy chief Federica Mogherini urging her to push forward the process of assuring “the correct and coherent implementation of EU labeling legislation” of goods produced in Israeli settlements.¹

This call was echoed in the views expressed in an open letter sent on 11 May 2015 to Mogherini by a high-profile group of former European political leaders, known as the European Eminent Persons Group on Middle East Issues (EEPG). Urging a reassessment of EU policy on the question of a Palestinian state, the group insisted that Israel must be held to account for its actions in the occupied territories and that such guidelines be “complemented by tougher measures to contain settlement expansion and steps to operationalize the EU’s policy of non-recognition of Israeli sovereignty beyond the 1967 borders across the full range of EU-Israeli relations”.²

The recent call for the development of guidelines over the labeling of settlement goods is not new. In November 2013, 13 foreign ministers had submitted a similar letter to Mogherini’s predecessor Catherine Ashton. At the time, there was no immediate follow-up in deference to the request of US Secretary of State John Kerry, out of concern that it would harm his mediation efforts to renew negotiations between Israel and the Palestinians. This time, Mogherini assured EU

¹ The letter was signed by the foreign ministers of France, Britain, Spain, Italy, Belgium, Sweden, Malta, Austria, Ireland, Portugal, Slovenia, Hungary, Finland, Denmark, The Netherlands and Luxembourg. Germany is the only one of the five big European states not to sign on to the letter

² The letter can be found at: <http://static.guim.co.uk/ni/1431517700142/EEPG-letter.pdf>

foreign ministers that work on producing a set of guidelines was underway and that they would be finalized in the near future.

In response to the potential issuing of these guidelines, Israel is already trying to conflate this step by the EU with the broader BDS movement, by asserting that such a move would be tantamount to the imposition of sanctions and should the EU move ahead on this issue it would be tantamount to “a de facto boycott of Israel”.

2. Recognition of Palestine

Over the past year, a number of European parliaments (Ireland, United Kingdom, France, Spain, Portugal, Belgium) have passed motions urging their governments to recognize a Palestinian state. This was followed by the passing in December 2014 by an overwhelming majority in the European parliament of a resolution supporting “in principle recognition of Palestinian statehood and the two state solution, and believes these should go hand in hand with the development of peace talks, which should be advanced.” The resolutions passed by the European parliaments are non-binding and largely symbolic but reflect a growing trend within European circles to assert public support for Palestinian statehood. Sweden has gone one step further, officially recognizing Palestine as a state.

With the lack of any progress on the peace process, other European parliaments may well follow suit and urge their governments to formally recognize Palestine. This was also a measure called upon by the EEPG its letter to Mogherini . Arguing for a greater equivalence between Israel and Palestine as political entities in the framework of any new negotiations: “if this means recognition of a Palestine government-in-waiting for the territories within the pre-1967 border,... the EU should be united in support”. The Group also argued for Palestinian accession to international treaties and international organizations.

3. UN Security Council Resolution

The EEPG letter also called for EU support for an UN Security Council resolution mandating new negotiations and setting a deadline for the completion for

negotiations. This call mirrors the current initiative by the French government which is drafting a new resolution to be presented to the Security Council this Fall. The draft under discussion outlines the parameters for the resolution to the conflict and mandates the creation of a Palestinian state within an eighteen months timetable. It also foresees the recognition of Palestine should negotiations fail.

It is not the purpose of this paper to discuss the merits or the efficacy of such a diplomatic strategy, but rather to highlight that issue will dominate much of the political discourse amongst European states, between Israel and the EU, and between the EU and the United States on the Palestinian question in the coming months.

4. Boycott Disinvestment Sanctions (BDS) Movement

The Boycott Disinvestment Sanctions (BDS) movement has gained increasing support amongst various European activist and civil society organizations in recent years. In recent weeks, the Britain's national student movement endorsed the BDS movement and most notably the chief executive of the French telecom company Orange, Stephane Richard told an Egyptian audience that he wanted to cut all business ties with Israel. Palestinians have also been moving forward with a campaign against Israel in various international organization, most visibly with an effort to have Israel expelled from FIFA. The impact of the BDS movement on the overall Israeli economy has been marginal and its results to date largely symbolic, though with the increasing visibility of the BDS movement more European companies may well decide that it is in their interests to limit, or even sever their ties with Israeli firms and financial institutions operating in the occupied territories.

The Israeli government for its own internal reasoning has elevated the BDS campaign as a major strategic threat, and a new unit has been created in the Ministry of Strategic Affairs, aimed at specifically countering "international efforts to boycott Israeli products and cultural initiatives". Israeli politicians have rushed to denounce the BDS movement equating the BDS movement and, by implication, criticism of Israeli policies in the West Bank as a new form of global anti-Semitism, thus adding to the attention the BDS movement is attracting

Although, European governments have distanced themselves from all calls for imposition of sanctions against Israel, much of the Israeli rhetoric against the BDS movement is targeted against Europe, even the BDS movement is global in its scope and efforts. As such, the rhetorical campaign (and potential Israeli legislative measures) will serve to impact negatively of the public discourse between Israel and Europe in the coming months.

Israel has also sought to engage United States its putative efforts to counter the BDS movement. In April, the US Senate Finance Committee unanimously voted support of an amendment to discourage European participation in the BDS movement against Israel. While the language of the amendment does not directly specify punitive action toward countries that boycott Israel, the implication is that U.S.-E.U. free trade relations would become conditional upon European countries abstaining from the BDS movement.

5. NGO Funding Bill

The growing hostility by parts of the Israeli right to the work of civil society groups led to the presentation in the previous Knesset to a spate of anti-democratic bills infringing on the civic rights of Israeli citizens, most notably the rights of minority groups. Much of the proposed legislation was aimed at limiting the activities and funding of various civil society organizations, especially those whose opinions are viewed unfavorably by the current political majority in Israel. Much of that legislation was blocked at the Ministerial Committee for Legislation by members of Yesh Atid and Hatnuah, neither of which are members of the current ruling coalition.

In particular, European governments have looked upon the so-called “NGO Funding Bill” with particular consternation, seeing it, and with good cause, as directed against European support of Israeli human rights organizations. Ostensibly this legislation is concerned with creating greater transparency, but the impetus behind the bill is a palpable anti-European agenda.

Recently, Yisrael Beiteinu reintroduced the NGO funding bill, under which groups and individuals identified with the left wing who receive funds from abroad will have to declare themselves “foreign agents” and come under closer supervision. With time, it is likely that other similar legislation restricting the freedom of expression and the funding of various cultural organizations, which was thwarted in the previous Knesset, will be reintroduced as private members bills. With the current composition of the government and with Ayelet Shaked, was one of the sponsors of NGO bill in the previous Knesset, newly installed as the Minister of Justice, the re-introduction and passing of these bills will face fewer obstacles in the current Israeli Knesset.

Ways Forward

1. Challenging the Israeli response to European policies

The response of the Israeli government to European criticisms of its policies and some of the actions/policies that Europe might adopt in the coming year are easy to predict. The tone was set back in 1980 with the communiqué issued Israeli government in response to the Venice Declaration. It is worth recounting that response:

Nothing will remain of the Venice Resolution but its bitter memory. The Resolution calls upon us, and other nations, to include in the peace process the Arab S.S. known as “The Palestine Liberation Organization.”... For a “peace,” which would be achieved with the participation of that same organization of murderers, a number of European countries are willing to give guarantees, even military ones... Any man of good will and any free person in Europe who would examine this document would see in it a Munich-like surrender, the second in our generation, to tyrannic extortion...

Netanyahu has not refrained in the past from equating European criticism of Israeli policies with the Holocaust and the memory of Jewish experience in Europe. With the equation of the BDS movement as the latest form of global anti-Semitism it is likely that rhetorical devise will only increase. On the occasion of the visit of the Polish Foreign Minister Grzegorz Schetyna, to Jerusalem in June, Netanyahu equated the campaign to boycott Israeli goods with Nazi Germany's campaign against Jews. "The

attacks on the Jews were always preceded by the slander of the Jews. What was done to the Jewish people then is being done to the Jewish state now,""In those days we could do nothing. Today we can speak our mind, hold our ground. We're going to do both."

In the past the Israeli government has included a number of supporters of Israeli-European relations who have tempered the tone of Israeli criticisms of Europe and have acted as intermediaries between Israel and the EU when tensions flared up. The new government lacks such figures. It consists of members who are either indifferent to Europe or are hostile and hold Europe in disdain. As such, the discourse attacking Europe is likely to be ratcheted up with Europe serving as an easy target around which the Israeli government will try to mobilize popular support in order to deflect legitimate criticism of Israeli policies, and external pressure for a return to negotiations with the Palestinians.

Proponents of Israeli-European relations, both within Israel and Europe, have allowed the Israeli right-wing to dominate the discourse on Europe and Israeli-European relations. Many Israeli politicians have been reluctant to expend social and political capital on defending European policies or actively trying to reshape the Israeli narrative on Europe. This situation is likely to remain. As such, it is incumbent of Israeli civil society groups, NGOs, academia and the media to be more assertive in countering the narrative of linking European criticisms of Israeli policies and highlighting the importance and depth of Israeli-European relations.

2. Developing a Regional Dialogue

In Europe, there has been a growing tendency to couple support for Israel with progress on the peace process and movement towards the creation of a Palestinian state. This has led to an increasingly polarized debate over Israeli-European relations. Israel and Europe share a significant set of common strategic interests that range beyond the immediacy of the Israeli-Palestinian conflict. Europeans need to shift the debate away from either being pro-Israeli or pro-Palestinian and place European-Israeli and European-Palestinians relations in a broader regional context.

The European Union has sought to foster a regional dialogue between Israel and the Arab world through various regional initiatives: The multilateral Arab-Israeli-Peace Talks; the Euro-Mediterranean Partnership (Barcelona Process) and the Union for the Mediterranean. These efforts encountered significant obstacles and produced limited results. The Arab states were unwilling to engage in a regional dialogue in the absence of progress on the Palestinian question. At the same time, the efforts by Europe to promote contacts and dialogue between Israel and Arab countries were half-hearted at best. European countries invested few resources in trying to promote such a dialogue and were prepared to defer to the position of Arab states.

Any peace treaty between Israel and the Palestinians needs to be embedded within a regional process. The European Union needs to invest greater efforts in not only promoting a renewed regional dialogue – either at the bilateral level or the multilateral level – at both the governmental level and between civil society organizations. As in the past such initiatives will encounter serious opposition. But the European Union should not desist from working in this direction. Through the promotion of such initiatives, Europe will be able to show to the Israeli public in the clearest possible way, that it is prepared to invest political and social resources against the efforts to isolate and delegitimize Israel.

3. Fostering Jewish-Arab Dialogue within Israel.

Much of European efforts to promote dialogue in the past have been directed at Israeli-Palestinian interactions around the peace process. Yet recent developments within Israeli society show the need for developing a Jewish-Arab dialogue within Israel. Much of Europe's efforts has been directed to supporting the development of Arab institutions in Israel, rather than promoting such a dialogue. The time may well be ripe for fostering contacts and Jewish-Arab dialogue. President Rivlin's recent call for a more inclusionary Israeli society provides an opportunity and an opening for such a dialogue. Equally the performance of the Arab Joint List in the last Knesset election under the leadership of Ayman Odeh offers signs of a new form of Arab politics emerging in Israel.

This is primarily an internal Israeli issue. At a certain level this is of no direct concern to the European Union, and one where Europe needs to tread carefully. Yet the EU

should seek out opportunities where it can help foster efforts at promoting greater Jewish-Arab civil society initiatives in Israel.

4. Engaging Jewish communities in Europe

In the past, Israeli-European dialogue has engaged Israeli civil society with their European counterparts. Missing in that equation has been the inclusion of European Jewish communities. That has been a critical oversight. European Jewish communities and the communal leadership can offer important insights, and serve as a bridge between Israel and Europe. Equally there needs to be greater cognizance of an emerging Israeli Diaspora community in various European capitals. As such, there is a need for both an Israeli-European Jewish community dialogue and a trilateral dialogue (Israel-European Jewish community-Europe) about the nature and future direction of Israeli-European relations and one not solely focused on the question of anti-Semitism in Europe. The Jewish communities need to be an integral part of countering and mitigating any potential tensions and fallout between the current Israeli government and the EU.

5. Developing a new Israeli-European dialogue.

Israelis and Europeans talk of possessing a common heritage, a common set of values and shared strategic interests. There is a need to discover exactly what those shared values comprise beyond simple generalizations such as a commitment to democracy, the rule of law and the development of civil society. At the same time, Israelis and Europeans must also develop a better appreciation for how their conceptions of society, politics and national identity fundamentally differ.

This dialogue between Israel and Europe must not be driven by misperceptions, wishful thinking and false expectations. Above all, it needs to be based on a clearer recognition that Israel and the EU are fundamentally separate political projects that are located at differing stages in their historical evolution. At its most basic level, the EU comprises a post-national project wherein the member states of the EU are willing to transfer part of their sovereignty and their decision making capacity in the realm of politics, economics, society and security to new supranational European institutions. Though nationalist sentiments are still strong at the popular level throughout the continent, European political and business elites understand

the necessity of transnational cooperation on the continent even if it necessitates the foregoing of some formal attributes of sovereignty. This practical imperative is wrapped with ideological tones. Europe seeks to depict an image of having overcome its own conflictual nationalist past.

Israel and the Zionist project seek a different outcome, one more familiar with Europe's past rather than its present projection, namely that of state building and the creation of a state for the Jewish people. At its core, Israel is a nationalist enterprise. Sixty-seven years since its establishment as a state, it is still in the process of nation-building and of creating its sense of self-identity. Loyalty is thus directed towards the institutions of the state and the Jewish character of the state.

Israel and Europe need to understand, accept, embrace and develop a dialogue around those differing conception and political realities.

About the Author

Joel Peters is Professor of Government and International Affairs in the School of Public and International Affairs (SPIA), Virginia Tech. Prior to joining Virginia Tech, he was the founding Director of the Centre for the Study of European Politics and Society at Ben Gurion University of Negev, Israel. He is the co-author (with Sharon Pardo) of *Uneasy Neighbors: Israel and the European Union*, the leader editor (with David Newman) of *The Routledge Handbook on the Israeli-Palestinian Conflict*. He is currently writing a book on contemporary Israeli foreign policy.