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Practices and their Failures:

Arab-Israeli Relations and the Barcelona Process

by

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### **Abstract**

Joel Peters focuses on the failed peace-making practices of the Middle East multilateral track process launched at Madrid in 1991. He thus uses the dynamics within Arab-Israeli relations to inform an assessment of the Euro-Mediterranean Partnership. Peters shows that conflicts of interests and rivalries among the participating parties emerged as soon as the multilateral peace talks moved from the discussion of ideas to the stage where decisions on the actual implementation of cooperation projects had to be reached. Thus, the demise of the multilateral talks and the subsequent slowdown in the Israeli-Palestinian peace process were underway before the launching of the EMP. The failure of developing peace-making practices within the multilateral Arab-Israeli peace talks inevitably spilled over to the EMP from the outset.

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# Practices and their Failures: Arab-Israeli Relations and the Barcelona Process

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In November 1995, the European Union launched in Barcelona the Euro-Mediterranean partnership - the 'Barcelona process' - with the aim of redefining its relations with the Mediterranean states on its Southern periphery, and of developing a new framework for peaceful and cooperative relations in the Mediterranean region. While the Barcelona process built on the various Mediterranean policies developed by the European Union since the 1960s, it marked at the same time a radical departure from those policies in that it sought to create a more integrated set of relationships than those engendered simply by the bilateral customs agreements and financial protocols of the 1970s and 1980s. It sought to create a new regional framework for future relations between the European Union and the poorer states of the Southern Mediterranean. What the European Union envisioned in Barcelona was no less than the creation of a 'stability pact' which would situate economic development and trade relations in the broader context of Mediterranean security'.1

Nearly a decade on, the lofty ambitions laid out in Barcelona have failed to materialize. For many commentators the failure to fulfill the Barcelona agenda and forge a new regional community has been laid at the collapse of the Israeli-Palestinian peace process. The Arab-Israeli conflict has become an easy scapegoat for the

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Claire Spencer ' A Tale of Two Cities', *The World Today*, March 1997.

failings of the Barcelona process. This chapter argues that such analysis fails to take into the unwillingness of the Arab states to engage with Israel in regional cooperative ventures, especially in the sphere of security cooperation, at the time of the launching of the Barcelona process and that European hopes to overcome those objections were poorly conceived. The failure cannot be laid solely on the doorsteps of the Arab states. The chapter shows how the focus of European priorities in the Mediterranean changed and how the European Union allowed, and was equally responsible, for the intertwining of the Middle East peace process with the Barcelona process. The chapter concludes by arguing that given the breakdown in the peace process the prospects for the revival of any regional dialogue involving Israel are minimal. Whilst Israel was skeptical of value of the Barcelona process from outset, it has turned its back on the utility of European normative power and cooperative security practices.

The launching of the Barcelona process was an ambitious exercise. Borrowing from the CSCE experience in Europe, the Declaration signed in Barcelona in November 1995 outlined three broad objectives:

- to strengthen political dialogue on a regular basis with the eventual aim of establishing a common area of peace and stability, including respect for human rights and democracy;
- the creation of a shared zone of prosperity through the establishment of a free trade area and a substantial increase in financial support from the European Union to attend to the social and economic challenges which come with transition;

 the development of an active civil society and the promotion of understanding between different cultures and exchanges at the level of civil society.

The driving force behind the launching of the Barcelona process was the belief that the root causes of instability in the Mediterranean region were economic underdevelopment and social inequality, and that these issues needed to be tackled collectively within a multilateral framework. Economic incentives remained the main tool in the hands of the European Union in dealing with the potential security threats arising from its southern shores, but they would be complemented by political dialogue and extensive cooperation in social and cultural affairs. Enhanced economic cooperation through the creation of a free trade zone in the Mediterranean region by 2010 would be accompanied by the development of a new set of cooperative frameworks for future political, security and civil relations.

The underlying assumptions and approach of the Barcelona process reflected the increasingly prevalent approach of 'cooperative security', namely that of addressing security from more than just a military perspective. In the post-Cold War era, attention was increasingly directed towards dealing with the underlying causes of conflict and with the need to bring states together to address the root causes of conflict and to promote confidence building and partnership measures, rather than a reliance on deterrence and containment. The concept of threat to regional stability and security was no longer defined simply in terms of inter-state conflict. Although the military dimension of security and the potential for inter-state conflict were not totally overlooked in the

Barcelona Declaration, stability in the Mediterranean region was now widened to include a broad range of issues such as internal disintegration, migration flows, environmental degradation, human rights and economic development.

The thinking behind the Barcelona process rested on a number of assumptions. First and foremost was the understanding of a common Euro-Mediterranean space and the idea that the states of this geo-political region shared a common set of interests, concerns and values. In order to fulfill the ambitious and wideranging agenda laid out in the Barcelona Declaration, it would require a radical change in the domestic, foreign and security policies of the Southern Mediterranean partner states, and the putting aside of long-held rivalries. It also demanded a significant transformation in their domestic and economic policies, and in their conception of civil society. It would require a transformation in their perceptions of their own identity and self-definition, in their regional identity and in their conception of threat and security, as well as the opening up of economic and trade relations with one other. In this respect it was assumed that the Southern Mediterranean states would invest in the 'Euro-Mediterranean region' and would regard it as their natural geopolitical space, that they would see security and economic issues as intrinsically linked with the fortunes of the Euro-Mediterranean partnership.

The decision by the European Union to include Israel as a member of the Barcelona process, which would now locate its relations with Israel within a regional and Mediterranean context, represented a radical departure from previous European policies. It was based on

the assumption that a fundamental change in Israeli-Arab relations had occurred, and that the Arab states of the Euro-Mediterranean partnership were now prepared to accept Israel as an equal and legitimate partner and that they would be willing to engage with Israel in a new set of multilateral ventures at the regional level.

It would, without question, have been difficult, if not impossible, to have foreseen the launching of the process and the convening of the meeting in Barcelona in November 1995 had it not been for the political breakthrough between Israel and the Palestinians two years previously with the signing of the Oslo Accords. When the parties came together at Barcelona, it seemed as if the Arab-Israeli conflict had finally turned the corner and that Israel and the Arab states were heading towards a comprehensive resolution of their conflict. The European Union went to great pains to stress that the Barcelona process was not intended as an alternative framework to the peace process, but rather that it was a separate process which would bolster efforts for peace in the region. The Barcelona Declaration stated: this Euro-Mediterranean initiative is not intended to replace other activities and initiatives undertaken in the interest of peace, stability and development in the region, but that it would contribute to their success.

Such a neat separation presumed that progress in the Israeli-Palestinian peace process would be unfaltering. It was an assumption that proved to be overly optimistic. While significant progress had been achieved by the time of Barcelona, final status issues such as the future borders, the question of Palestinian refugees, and Jerusalem remained unresolved. Nor was the Arab

world fully reconciled to the idea of normalization with Israel and to engaging in new multilateral cooperative ventures.

The distinction between the Barcelona process and the Middle East process was rhetorical. From the outset the fortunes of the two processes were clearly intertwined. The European Union had given little thought to how it intended to prevent any potential setbacks in the Arab-Israeli peace process from spilling over and affecting the Barcelona process, and to whether it possessed the capacity to mediate those potential crises within the Barcelona framework. Equally, it was unclear whether Israel and the Arab states would look to Europe to play such a role and if they would use the Barcelona process to overcome their differences and allow the development of confidence building measures.

The track-record of the Euro-Mediterranean partnership has been mixed. Proponents of the process view achievements such as the signing of the Association Agreements, the increase in trade, the framework for dialogue at the political level, the mobilization of funds for the region, and the establishment of a series of networks connecting groups from civil society, as highly significant. But for many commentators, the balance sheet of the Barcelona process has been dismal and its value and utility questionable. Five years after the signing of the Barcelona Declaration, the European Commission, in a brutally honest assessment, was forced to conclude that achievements had been inadequate and that new life and energy needed to be injected into the process.

The greatest gap between expectations and achievements has been the failure of the process to develop a sustained dialogue at the political and security levels. Most observers point to the difficulties and the eventual breakdown of the Arab-Israeli peace process as the critical element in the failings of the Barcelona process, and in particular the lack of any real determination to draw up a security accord for the region. The vicissitudes of the Arab-Israeli peace process proved to have a much greater impact on the fortunes of Euro-Mediterranean partnership, and on the willingness of the Arab states to engage with Israel in cooperative projects at the regional level, than originally thought. In its five-year review of the Barcelona process, the European Commission determined:

Difficulties in the Middle East peace process have slowed progress and limited the extent to which full regional cooperation could develop. Not only are the countries in the region very different in terms of political systems and levels of economic development, but some are much more affected by the evolution of the peace process than others. Willingness to cooperate more actively with neighbours has been held back by the politics of the peace process.

It went on to conclude, somewhat bitterly:

Deadlock and slow advances in the Middle East Peace Process, albeit separate from the Barcelona Process, has a retarding effect on regional cooperation in general. These shortcomings were so substantial as call into question the political determination of both sides to achieve the goals they set in 1995. <sup>2</sup>

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<sup>2</sup> Communication from the Commission to the Council and the European Parliament, *Reinvigorating the Barcelona Process*, Brussels Com (00) 497 final, 6 September, 2000.

The outbreak of the Al-Aska intifada in September 2000 and the escalation in violence between Israel and the Palestinians over the past three years have brought the political and security aspects of the Barcelona process to a complete standstill. By the time of the foreign ministerial meeting in Valencia in April 2002, many were openly wondering whether the Barcelona process had any life left in it and whether it would survive the escalation in violence between Israel and the Palestinians.<sup>3</sup>

# Arab-Israeli Relations Prior to Barcelona

In November 1995, the prospects for Arab-Israeli regional cooperation appeared healthy. The launching of the Barcelona conference built on the wave of optimism engendered by the signing of the Oslo Accords between Israel and the Palestinians two years earlier. The Israeli-Palestinian Declaration of Principles of September 1993 led to the signing of the Gaza-Jericho accord in May 1994, resulting in an Israeli withdrawal from those areas, and the transfer of civilian powers to the Palestinians. This agreement was followed by the signing in September 1995 of the 'Oslo II' interim agreement which laid out the conditions and a timetable for the withdrawal of Israeli forces from the major centres of population in the West Bank and the transfer of responsibility for those areas to the Palestinian Authority. The Oslo Accords were the catalyst for a qualitative change in Israel's relations with the Arab world. The breakthrough between Israel and the PLO prompted Jordan to enter into intensive negotiations with Israel,

<sup>3</sup> See speech by Spanish foreign minister to the fifth Ministerial Euro-Mediterranean Conference, Valencia 22-23 April 2002.

leading on 26 October 1994 to the signing a full-fledged peace treaty between the countries. They also paved the way for a discreet dialogue and the development of economic relations between Israel and the countries of North Africa and the Gulf. Diplomatic contacts were established with Morocco with the opening of an Israeli diplomatic interest office in Rabat in September 1995. One month later Tunisia took a similar step.

These diplomatic breakthroughs allowed for a qualitative and quantitative change in the activities of the five working groups of the multilateral talks and the holding of the MENA Economic Summits held first in Casablanca (October 1994), then in Amman (November 1995). Thus, by the time of the Barcelona conference, Israel and the Arab partner states of the Euro-Mediterranean partnership had already been engaged for the previous three years in a regional dialogue that put their relations on a more cooperative footing. As such, there was every reason to hope that the Barcelona process would be able to capitalize and build on the progress already achieved in the multilateral talks and MENA Economic Summits, and that it would help contribute to and consolidate the process of Arab-Israeli rapprochement. Indeed, many of the sectoral issues to be addressed within the Barcelona work plan, such as water management, tourism, environment and trade, mirrored the projects already discussed within the multilateral talks.

Not only did the issues to be addressed in the planned activities within the Barcelona framework mirror those being addressed within the multilateral talks, but, given the limited bureaucratic

resources available to the states of the Southern Mediterranean, they would also involve much of the same personnel. It was expected, therefore, that the collegiality, understanding, personal contacts and working relationships developed in the multilateral talks would spill over into the Barcelona framework.

An additional note of optimism was elicited by Syria's willingness to attend the meeting in Barcelona. Syria and Lebanon had consistently boycotted the proceedings of the five Arab-Israeli multilateral working groups, arguing that the Arab world should not discuss matters of regional cooperation with Israel until a comprehensive political settlement had been reached at the bilateral level. However, in the case of the Euro-Mediterranean partnership, Syria and Lebanon took their seats around the table, placing their signatures along with Israel's on the Barcelona Declaration.

A closer and more sober look at the state of Arab-Israeli multilateral talks and the regional dynamics at the time of the launching of the Barcelona process reveals a more pessimistic picture. <sup>4</sup> The demise of the multilateral talks, which many date to the election in Israel of Binyamin Netanyahu in May 1996, and the subsequent slowdown in the Israeli Palestinian peace process, were well underway before the launching of the Barcelona process. As the multilateral talks moved from the stage where ideas for future cooperation were raised and discussed, to the point where decisions were actually reached and projects implemented, it was inevitable that conflicts of interest would

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<sup>4</sup> For a complete discussion on the multilateral talks see: Joel Peters *Pathways to Peace: The Multilateral Arab-Israeli Peace Talks* London: The Royal Institute for International Affairs, 1996)

emerge and disagreements would arise. Those disagreements--and in particular the nascent rivalry between Israel and Egypt--began to dominate the proceedings and ultimately stifled the activities of the multilateral working groups. The United States, responsible for overseeing the multilateral talks, had already failed to contain this rivalry. The European Union was to fare no better. The spillover from the multilateral talks into the Barcelona process proved to be negative rather than positive.

From the outset, the multilateral talks suffered from the differing expectations and interests of the parties. The multilateral talks offered Israel the opportunity to break out of its regional isolation. They were seen by Israel as a vehicle for the normalization of its position in the Middle East and for the development of bilateral ties with countries of the Gulf and North Africa. But Israel's interests were much more ambitious. Israel's leaders, most notably Shimon Peres, spoke of the emergence of a new regional order in the Middle East wherein Israel would play a central role. Such talk of a re-shaping of the existing order led to fears in the Arab world of Israel's intention to establish economic hegemony over the region. Most notably, Egypt regarded the end of Israel's isolation and the potential new order as a direct threat to its regional standing and interests. Although the Oslo peace process gave Egypt legitimacy for its own peace treaty with Israel, it was intent from the outset on limiting progress in the multilateral talks and on containing Israel's influence. The potential political and economic benefits accruing for Israel from the process of normalization in the region was seen in Cairo as undercutting Egypt's influence and power. As one observer noted 'lately Israel has been forging ties with

the likes of Oman, Bahrain, Morocco and Tunisia and without anyone dialing Cairo. The Egyptians are not amused... So Egypt struck back'.<sup>5</sup>

Tensions between Israel and Egypt came to the surface in early meetings of ACRS, when the priorities for the working group were being established. Egypt was determined that ACRS would address the question of weapons of mass destruction in the Middle East and insisted that the discussion of Israel's nuclear capability be included on the agenda of the working group. It argued forcefully that this issue could not be ignored and defined its inclusion as an important confidence building measure in itself. Israel turned a deaf ear to this argument. Its position centred on the necessity of developing a set of confidence building measures before discussion could move onto the more difficult issues of strategic systems and weapons of mass destruction.

The Israeli position prevailed. But the issue of nuclear weapons was to dog the proceedings of ACRS and by the end of 1995 brought the activities of the working group to a standstill. <sup>6</sup> The crisis in the working group centred on the drafting of the Declaration of Principles on Arms Control and Regional Security and the inclusion of a common statement on weapons of mass destruction. Despite the best efforts of the Americans throughout 1995 to find a formula acceptable to both Israel and Egypt, little progress was made in bridging the divide. The dispute over the nuclear question rapidly developed into a public

5 Thomas L. Friedman 'Exodus Part II', *The New York Times*, 15 February 1995.

For an excellent discussion of this issue see Emily Landau, *Israel* and Egypt in ACRS: Bilateral Concerns in a Regional Arms Control Process (Tel Aviv, Jaffee Center for Strategic Studies, Memorandum 59, June, 2001)

souring of relations between Israel and Egypt in the months prior to the UN conference on the renewal of the Nuclear Non-Proliferation Treaty (NPT) in April 1995. Exchanges between the two sides became increasingly heated and acrimonious, with Egypt threatening to withhold its support for an indefinite extension to the non-proliferation treaty unless Israel became a signatory to the NPT and was prepared to open up its nuclear facilities to international inspection. The Israeli-Egyptian dispute surrounding the NPT brought relations between the two sides to their lowest point since the signing of the peace treaty in March 1979.

Following the successful renewal of the NPT treaty in the middle of May 1995, there was widespread expectation that the ACRS working group would be able to resume meetings and finalize the Declaration of Principles. These hopes proved to be short-lived and the nuclear issue continued to plague relations between the two countries. In the third meeting on the conceptual basket of ACRS, held in Helsinki a fortnight after the close of the NPT review conference, Egypt reemphasized its concerns and its resolve that the ACRS working group should not ignore this issue. These sharp differences resulted in the cancellation of the planned plenary session of ACRS due to be held in Amman in September 1995. This dispute continued throughout the early months of 1996. 'There is no room for any discussion about regional security cooperation', Foreign Minister Amr Mousa stated in April 1996, 'while the nuclear issue remains unsolved'. Attacks intensified in the Egyptian press, as exemplified by the chief editor of Al Ahram's description of the United States' support for Israel's

position in ACRS as 'a farce'<sup>7</sup>. This dispute between Egypt and Israel had become entrenched and compromise appeared impossible. Accordingly the United States decided to postpone the ACRS meetings in order to prevent a further deterioration in Israeli-Egyptian relations.

The friction between Israel and Egypt was not confined solely to discussions within the arms control and regional security working group, but also affected the deliberations of the Regional Economic Development Working Group (REDWG) and the negotiations over the creation of a Middle East and North Africa Development Bank (MENABANK). Egypt saw itself as the cornerstone of sustainable economic cooperation in the region and was determined to control the pace of normalization and economic engagement with Israel. At the second MENA Economic Summit, held in Amman only a few weeks before the signing of the Barcelona Declaration, Amr Mousa publicly berated other Arab states for rushing to normalize their relations with Israel.

Egypt was particularly wary of any initiatives that might marginalize its economic interests. In January 1995 the plenary meeting of REDWG, held in Bonn, Germany, took a decision to establish a permanent secretariat in the region to service the work of the various projects. The Bonn meeting called for this secretariat to be located in Amman, Jordan. Yet it took a further nine months of protracted discussion before the regional parties finally agreed that the secretariat would be based in the Jordanian capital. This agreement was only secured once

See Bruce Jentleson and Dalia Dassa Kaye, Explaining the Scope and Limits of Regional Security Cooperation: The Middle East Case of ACRS, paper presented to the Annual Conference of the International Studies Association, Toronto, 14-22 March 1997. P.22

it became certain that the establishment of the Middle East and North Africa Development Bank would be formally announced at the second MENA Economic Summit in Amman and that the Bank's headquarters would be located in Cairo. Shortly after the Amman summit, the MENABANK taskforce met in Cairo in February 1996 intent on finalizing the Bank's charter. At the last minute, however, the Egyptians raised concerns over the language in the charter relating to the economic boycott against Israel. As a result the participants agreed to all the clauses in the charter aside from the section on boycotts. Instead of calling upon members to refrain from politically-motivated boycotts against other regional members, the charter talks of 'promoting economic cooperation within the region, including trade liberalization and the removal of trade barriers and restrictions.'8

## **Arab-Israeli Relations and the Barcelona Process**

As has been shown above, by the time of the meeting in Barcelona in November 1995, the state of Israeli-Arab multilateral cooperation was perilous. Though steady progress had been made at the bilateral level between Israel and the Palestinians and several states such as Qatar, Oman, Morocco and Tunisia had shown themselves willing to enter into a quiet dialogue with Israel, little progress had been made at the multilateral level. The five working groups of the multilaterals comprised states throughout the Arab world (aside from Syria, Lebanon, Libya and Iraq) and these meetings offered Israel and the Arab world an important environment, allowing them to meet and exchange ideas. But the main focus of the work of the multilaterals,

<sup>8</sup> See Dalia Dassa Kaye, 'Banking on Peace: Lessons from the Middle East Development Bank' IGCC Policy Paper, no 43, October 1998, p. 15.

especially in the Water and the REDWG workings groups, had concentrated almost exclusively on promoting cooperation between the four core regional parties to the conflict: Israel, Egypt, Jordan and the Palestinians, and had not involved, in any committed manner, the countries from the Maghreb and Gulf. The sole working group that had actively engaged all the parties and had sought to redefine the substance of relations at the regional level had been ACRS. The suspension of the activities of ACRS and the acrimonious exchanges between Israel and Egypt throughout 1995 over regional security issues should have made the European Union hesitate before engaging with the southern Mediterranean partners in a regional security dialogue.

It took little time for the tensions between Israel and Egypt to spill over into the meetings of the Barcelona process. From the outset difficulties emerged in determining the agenda for meetings on political and security cooperation. All proposals put forward by the Europeans were immediately vetoed by the Arab states which, despite putting their signatures to the Barcelona Declaration, were unwilling to cooperate with Israel on matters related to security and confidence building measures. Furthermore the Arab states were unwilling to host any of the meetings in this area because of the participation of Israel. Just as many of the Arab countries had agreed to participate in the multilateral talks at the behest of the United States, so Arab participation in the Barcelona process was related more to the furthering of their bilateral interests with Europe than their eagerness to engage with Israel in cooperative ventures at the regional level. The European Union had made much of the fact that whereas the United States had failed in the multilateral talks, it had been successful in persuading Syria and Lebanon to participate in the Barcelona process and to sit around the table with Israel. In practice, there had been no indication from either Damascus or Beirut of a major change in attitude towards multilateral cooperation with Israel. Beyond meetings at the official level, the Syrians and Lebanese refused to engage in the regional projects of the Barcelona process on account of the presence of Israelis in the room.

The original idea was to hold the follow-up Euro-Mediterranean Ministerial Conference in Tunis. However, fears that the stalled Arab-Israeli peace process would jeopardize the proceedings led to the meeting being moved to Valetta, Malta. This deflected the problem but did not remove it entirely and the faltering peace process dominated the proceedings anyway.

By the time of the meeting in Valetta, the context of the peace process had changed significantly. The wave of terrorists attacks within Israel in early 1996 had led to the election in May 1996 of a center-right wing government led by Binyamin Netanyahu and to the demise of the peace process. The decision of the new Israeli government to open the Hasmonean tunnel in the Old City of Jerusalem in September 1996 had to led to widespread rioting in the West Bank, resulting in the deaths of 64 Palestinians and 15 Israeli soldiers. At the end of 1996, in response to the deteriorating situation and the impasse in negotiations over the redeployment of Israeli troops from Hebron stipulated in the Oslo II Accords, the Arab countries announced that they would be

suspending their participation in all the meetings of the multilateral talks. Relations between Israel and the Palestinians reached a crisis point in February 1997 with the decision of the Israeli government to start building new homes for Jewish residents in Har Homa/Jabal Abu Ghenaim in East Jerusalem. This action brought the peace process to a total standstill and all contact between the Israeli government and the Palestinian Authority was suspended.

Keeping the problems of the peace process out of the Barcelona deliberations was only possible if there was reason to believe that those problems were short-term. Given the breakdown of the peace process, it was not surprising that this issue cast a shadow over the deliberations leading up to the meeting in Valetta. Virtually all preparation of documentation relating to the political and security chapters of the Barcelona Declaration was paralysed. The Arab states were adamant that any arrangements and outcomes of the Malta meeting that might be construed as security-related cooperation with Israel be sidestepped. For their part, European officials went out of their way to stress that they did not want the Malta meeting to be dominated by the crisis in Israeli-Palestinian relations. 'We intend to make sure that the Euro-Mediterranean relationship is the focus of the meeting', an aide to a European Commissioner insisted, 'we will not let our

relationship with these countries become hostage to the Middle East peace process'. 9

At the same time the focus of Europe's priorities in the Mediterranean had shifted since the launching of the Barcelona process. European leaders had become alarmed by the turn of events. They felt that they could no longer stand idly aside and watch the Middle East slide into a new cycle of violence. In a declaration issued by the Council of Ministers, the Europeans announced their intention of becoming more directly involved in efforts to restart negotiations.<sup>10</sup> In a speech to the third MENA Economic Summit held in Cairo in October 1996, the Irish Foreign Minister informed the participants: '[The European Union] has a responsibility both to the region and to itself (my italics) to put the Peace Process back on track'. As a sign of its determination to revivify the moribund peace process and to adopt a more proactive approach, the European Union decided shortly after to create the new post of a special envoy to the Middle East peace process.

Accordingly the European Union approached the meeting in Valetta with two main priorities; i) to strengthen the Euro-Mediterranean partnership and ii) to renew contacts between Israel and the Palestinian Authority. European officials continued to disavow any

<sup>9</sup> *Middle East International*, 18 April, 1997.

<sup>10 &#</sup>x27;Declaration by the European Union on the Middle East Peace Process' General Affairs Council, 1 October, 1996

linkage between the Barcelona process and Middle East peace process. Such statements were not matched, however, by their actions. The two-day meeting was dominated by the question of the Middle East peace process and the intense efforts by European officials to bring about a meeting between the President of the Palestinian Authority, Yasser Arafat, and Israel's Foreign Minister, David Levy, during the conference. That those two leaders did meet--the first high level contact between the two sides since Israel's decision to start building new homes in Har Homa/Jabal Abu Ghenaim in East Jerusalem in February--was heralded as a great success and testimony to Europe's capacity to help bring Israel and the Palestinians together.

The focus on trying to resurrect the Arab-Israel peace process during the Malta Conference pushed the wider agenda of the Euro-Mediterranean partnership to the sidelines. The extensive mediation undertaken, and the attention this effort attracted, meant that the fortunes of the Middle East peace process now took centre stage. From this point on, the ebb and flow of the peace process dominated all efforts to push the agenda of the Barcelona process forward.

At Malta, the Middle East peace process and the Barcelona process became entwined. Thereafter, it became impossible for the European Union to separate future progress in the Barcelona process from the fortunes of the Middle East peace process. The future of sectoral cooperation in the Mediterranean became

hostage to the fortunes of peace in the Middle East. The Arab states refused to hold meetings of the process in their countries because of the presence of Israel and even tried to convene meetings without informing Israel. Arab unwillingness to sit down with Israel to discuss joint ventures and cooperative projects led to a Euro-Mediterranean ministerial conference on industrial cooperation, scheduled for the end of October 1997 in Marrakech, Morocco, as part of the Euro-Mediterranean partnership, being cancelled. In an effort to get the process moving, the European Union even asked Israel to assume a lower profile. For example, in a meeting on the potential for financial partnerships in London in March 1998, where partner countries were to be represented at ministerial level, the European Union asked Israel not to send its Minister of Finance, Ya'acov Neeman. Israel refused to comply with this request and the minister eventually participated in all of the meetings.11

Progress in the Barcelona process could no longer remain separate from the Middle East peace process. The speed of progress in the Barcelona process was dependent on events beyond its immediate influence, namely the peace process. The Euro-Mediterranean partnership had become, as one European statement crudely put it, 'contaminated by the peace process'. This impact was most pronounced in the first basket of the Barcelona process which was aimed at building a new political security relationship in the

See Alfred Tovias 'Israel and the Barcelona Process', in EuroMeSCo Working Papers, No 3, 1998, p. 8.

<sup>12 &#</sup>x27;The role of the European Union in the Middle East peace process and its future assistance', European Commission, 16 January 1998, ip/98/37

Mediterranean and to the drafting a Mediterranean Charter for Peace and Stability. A report produced by the Euro-MeSCo network on political and security cooperation in the Mediterranean concluded that 'the persistence of a number of long standing conflicts, particularly the conflict in the Middle East...make the early implementation of military and military-related Confidence Building Measures (CBMs) and Confidence and Security Building Measures (CSBMs) difficult'. It continued: 'The resolution of the Middle East peace process is a precondition for the implementation of a fully-fledged area of peace and stability in the overall Mediterranean environment'.<sup>13</sup>

The early meetings of the Senior Officials Committee on the Political and Security Partnership focused on developing a series of arms control concepts for the region and a set of confidence and security building measures (CSBM). Sidetracked by the Middle East peace process, the Malta ministerial meeting was unable to find a consensus on steps to be taken in the Political and Security Chapter and the meeting failed to endorse three documents that were intended to guide policy in the security realm; i) a plan of action; ii) an inventory of CSBMs; iii) guidelines and principles outlining an avenue towards a Mediterranean Charter for Peace and Security.<sup>14</sup>

Little progress was made at the third ministerial meeting in Stuttgart in the area of political and security cooperation and the drawing up of a Mediterranean Charter for Peace and Stability. Whilst areas for

EuroMesco, Joint Report, Working group on Political and Security Cooperation and Working Group on Arms Control, Confidence Building and Conflict Prevention, April 1977.

See Fred Tanner, 'The Euro-Med Partnership: Prospects for Arms Limitations and Confidence Building after Malta', *The International Spectator*, 32, 2, April-June 1997 pp. 3- 25.

discussion were drawn up and general principles were agreed upon, no concrete measures were settled upon by the participants. The ministers instructed the senior officials to go away and prepare a provisional text for the Charter by the informal ministerial conference which was to be held under the Portugese presidency on 25th May 2000 in Lisbon. The External Relations Commissioner Chris Patten stated in December 1999 that the Charter: "is expected to be approved during the second half of year 2000, [and] will provide Europe with a lasting role in the maintenance of peace and stability in the region." <sup>15</sup>

However, no time frame was established for the signing of the Charter at the Stuttgart conference, only an understanding that it would be signed according to a European Commission report, "as soon as political circumstances allow i.e when *sufficient* (my italics) progress has been made in the Middle East peace." <sup>16</sup> The report failed to elaborate what sufficient progress would entail in practice. Little progress was made after Stuttgart.

The position of the Arab states concerning any continued discussion of the Charter, and its adoption, is best summarized by Fathy El Shazly:

It was widely believed among Arabs that no process entitled peace and stability could be embarked upon between partners while some of them were legally in a state of war. Arabs also believed that military and security building measures under those conditions would practically amount to bestowing blessing and tolerance on the foreign

See Justin Hutchence' The Middle East Peace Process and the Barcelona Process' in Fulvio Attina and Stelios Stavridis, *EMP Issues After Stuttgart*, (Naples: Giuffre, 2001).

The Barcelona Process: Five Years on: 1995-2000 (European Commission, 2000).

occupation of Arab territories. Therefore, the following understanding was reached among Arabs:

- It would be very difficult to accept military measures as long as foreign occupation persisted
- Necessary time should be allowed for the reflection on and drafting of the Charter, with the hope that by the time it will be ripe for implementation peace could have finally been achieved in the Middle East.<sup>17</sup>

At the next Ministerial Meeting held in Marseilles in November 2000, the hopes of the French Presidency that the Charter might come into force were dashed by the boycott of that meeting by Syria and Lebanon. The meeting decided to defer the adoption of the Charter due to the political context (my italics). By the time of the Valencia gathering in April 2002, hopes for making any further progress on the Charter had all but disappeared. The concluding remarks of the Presidency made no reference to the Charter. Similarly, the Valencia Action Plan approved by the meeting confines to a single sentence future work on the Charter. The conference agreed to confirm the mandate of the senior officials on the Draft Charter for Peace and Stability to continue their work as appropriate (my italics) so as to enable the Charter to be adopted as soon as the political situation allows. With the further deterioration of the situation in the Middle

<sup>17</sup> Fathy El Shazly, 'The Development of the Euro-Mediterranean Charter for Peace and Stability', in The Future of the Euro-Mediterranean Security dialogue, WEU Occasional Papers, No 14, March 2000 p. 27.

Presidency Formal Conclusions. Fourth Euro-Mediterranean Conference of Foreign Ministers, Marseilles 15-16 November November 2000.

(http://europa.eu.int/comm/external\_relations/euromed/conf/index.htm.

<sup>19</sup> Valencia Action Plan, Fifth Euro-Mediterranean Conference of Foreign Ministers, Valencia 22-23 April 2002.

East, the gatherings of the foreign ministers within the Barcelona framework began to focus more on the immediate diplomatic efforts to contain the violence and restart negotiations than on the long-term aims of the Euro-Mediterranean partnership. The meetings became a forum wherein the Arab states sought to attack Israel and garner the support of the Europeans. By the time of the meeting in Valencia in April 2002, the escalating violence between Israel and the Palestinians dominated much of the proceedings. Nearly half the conclusions delivered at the end of the meeting addressed the issue of the crisis in the Middle East, with but a single sentence devoted to the Charter for Peace and Stability.

# **Israel and the Barcelona Process**

Israel's response to the Barcelona process was mixed. Europe's vision for the Mediterranean and its focus on bringing about socio-economic change and building new frameworks of regional cooperation mirrored Shimon Peres' vision of a new Middle East. Israel saw the launching of the Barcelona process as an important step in the peace process in that it promoted regional confidence building measures and provided an environment in which Israel could develop its relationships with the countries of North Africa. Israel under Shimon Peres was more open to Europe playing an enhanced role in the peace process and working actively for Israeli-Arab reconciliation.

At the same time, many in Israel viewed Europe's agenda in the Mediterranean, namely the fear of instability in North Africa and illegal

(http://europa.eu.int/comm/external\_relations/euromed/conf/index.htm.

migration, as of little concern to Israel. Others, especially those in the ministry of finance, saw little financial gain from Israel's involvement in the Barcelona process. They objected to Israel being classified with other Southern Mediterranean countries and to Israeli-European relations being conducted within a Mediterranean framework. Economically speaking, Israel would have preferred to have been included on the European side of the equation and to have spoken of a relationship between '16' and '11' states, rather than the divide of 15 EU states' and the 12 Southern Mediterranean partners. In short, viewed from Israel, the Barcelona Declaration undermined the special economic status accorded Israel at the December 1994 Essen summit<sup>20</sup>. Above all, there was concern in Israel that despite its assertions to the contrary, Europe would exploit the Barcelona process to gain influence in the Middle East process and would use it as an alternative to, rather than as a complement to the multilateral talks. With its long-standing suspicions about Europe's neutrality and its pro-Arab tendencies, there was concern in Jerusalem that the Euro-Mediterranean meetings would develop into a forum where Israel would be outnumbered and besieged.

With the change in government in May 1996, Israel under the new Likud government led by Binyamin Netanyahu, saw little to be gained from the Barcelona process. Visions of a new Middle East and of new frameworks of cooperative security were ridiculed as fanciful and naive. The new Israeli government saw no role for Europe in the peace process and was determined to limit its influence. With the stalemate in the peace process, Europe became increasingly critical of the

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See Alfred Tovias, Israel and the Barcelona Process, *EuroMeSCo Working P apers* no 3, 1998 p.5.

policies of the Israeli government. Under Netanyahu, relations between Israel and the European Union deteriorated to a new low, reaching their nadir in March 1999 with the issuing of the Berlin Declaration in which Europe came out with its most explicit statement in support of Palestinian statehood. Netanyahu's denouncement of the Berlin Declaration and of Europe was scathing: 'it is a shame that Europe, where a third of the Jewish people was killed, should take a stand which puts Israel at risk and goes against our interest'<sup>21</sup>. Israel dismissed the Berlin Declaration as an attempt to dictate to Israel the outcome of negotiations with the Palestinians and pronounced it unsuitable to serve as an honest broker in the peace process.

While Israel talked of the importance of cooperative security measures, its Mediterranean foreign policy in the 1990s was guided by the development of traditional bilateral strategic partnerships. Most significant was the upgrading of its ties with Turkey and the emergence of a close strategic entente between the two countries.

The new close cooperation between Ankara and Jerusalem began at the end of 1991, when Turkey agrees to upgrade its diplomatic relations with Israel to ambassadorial level. From that point, the two states embarked on a series of high-level state visits and bilateral trade began to flourish, leading to the signing of a Free Trade Accord in March 1996. Most striking and indicative of the emergence of a new special relationship, the two states also signed a series of military agreements that led to cooperation in many areas. In late February

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See Joel Peters; Europe and the Arab-Israeli Peace Process: The Declaration of the European Council of Berlin and Beyond' in Sven Behrendt and Christian Peter Hanelt, *Bound to Cooperate*, (Gutersloh, Bertelsmann Publishing Group, 2000) p.157.

1997, the Turkish army's Chief of Staff Ismail Hakki Karadayi traveled to Israel, marking the first trip to that country by a senior Turkish military officer. This was quickly followed in April by a visit of Turkey's Defense Minister, Turhan Tayan, and a return visit by Israel's Chief of General Staff, Amnon Lipkin-Shahak, in October. As a result of these visits, Israel and Turkey signed a number of agreements for joint military exercises and training. There was also significant interaction between their respective defense industries for the upgrading and modernizing of Turkey's weapons systems.<sup>22</sup> These developments, especially the military agreements, caused widespread alarm thoughout the Arab world, which decried this new strategic alliance as challenging their security and threatening regional stability. Egypt in particular attacked the ties between Israel and Turkey. It saw the development of a strong Turkish-Israeli military axis as a further challenge by Israel to its own regional standing and one which would destabilize the whole region.<sup>23</sup>

## Where Next?

See Daniel Pipes A New Axis: The Emerging Turkish-Israeli Entente *The National Interest*, 50, Winter, 1997/98.

<sup>23</sup> Efraim Inbar, 'Regional Implications of the Israeli-Turkish Strategic Partnership,' MERIA Journal, 5, 2, June, 2001.

It is expected that once there is a breakthrough on all tracks of the MEPP, the political and security dialogue will be able to unfold more rapidly.<sup>24</sup> (European Commission, 2000)

The Euro-Mediterranean partnership has failed, so far, to achieve the regional goals that the partners to the process set out for themselves eight years ago in Barcelona. Although there has been a significant improvement in economic relations at the bilateral level between the European Union and many of the Southern Mediterranean partners, little headway has been made towards the development of new cooperative regional structures in the Mediterranean and in a sustained security dialogue.

Most commentators point to the breakdown in the Arab-Israeli peace process as the critical element in this failure. They claim that the Arab-Israeli conflict contaminated discussions in the Barcelona process, resulting in the paralysis of all discourse in the political and security arenas. Such analysis, as this chapter has shown, ignores the unwillingness of the Arab Southern Mediterranean partners to the Barcelona process, to engage fully in regional cooperation schemes with Israel, especially in the sphere of security cooperation, both prior to the launching of the process in November 1995 and immediately afterwards.

The collapse of the Israeli Palestinian peace process, and especially the escalation in violence of the Al Aska Intifada over the past three years, provides a convenient scapegoat for the failure to develop a significant

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European Commission 'The Barcelona Process: Five Years On, 1995-2000, p. 10.

dialogue towards regional cooperation in the Mediterranean. It has allowed other factors that impede the process of regional cooperation to be ignored.

The launching of the Barcelona process and the creation of a new Euro-Mediterranean space demanded that the Southern Mediterranean partners readjust their relations with Europe and rethink the nature of their relations with each other. It necessitated a dramatic change in their domestic policies and in their willingness to engage with Israel in an intensive process of regional cooperation. Without question, the opportunity that the Barcelona process offered to strengthen relations with Europe was the primary motivation for the participation of the Arab states. From the outset, there was a deep reluctance on the part of these states to engage in dialogue on security issues and to cooperate with Israel. The difficulties in the peace process and its eventual collapse offered the Arab states the perfect opportunity and convenient justification for placing on hold a project they regarded as increasingly hazardous. As Bechir Chourou argues 'The EU did plead for de-linking the Barcelona process from the Middle East problem, but the Southern partners could ill afford to let pass an opportunity to disavow a process that would allow outsiders to interfere in their internal affairs.<sup>25</sup>

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See Bechir Chourou, 'The (Ir)relevance of Security Issues in the Euro-Mediterranean Relations' in Fred Tanner (ed.), The European Union as a Security Actor in the Mediterranean ESPD, Soft Power and Peacemaking in Euro-Mediterranean Relations (Zürcher Beiträge zur Sicherheitspolitik und Konfliktforschung, No. 61, Zürich: 2001), p. 69. See also Fulvio Attina, 'Security cooperation at the regional level: from opposed military alliances to security partnerships. Is the Mediterranean region on the right track?' Jean Monnet Working Papers in Comparative and

The hopes that Israel and the Arab world would be prepared to engage in regional dialogue within the Euro-Mediterranean partnership did not constitute part of the strategic thinking of the Arab partner states to the Euro-Mediterranean partnership. Nor did it comprise part of Israel's strategic calculations. Israel initially saw the Barcelona process as a forum that might contribute to the development of its bilateral relations with the countries of the Maghreb. But the broader security concerns of the European Union within the Mediterranean region were of little interest to Israel. For Israel, security was a question of the careful management of military balances and not of the development of cooperative structures. Furthermore, the long-term threat to Israeli security was seen as emanating not from its western shores, but from its eastern flank, specifically Iraq and Iran. Thus, on the strategic level, the Barcelona process was of little significance for Israel.

The European Union maintained consistently that the Barcelona process and the Middle East peace process should be viewed as two distinct processes. It expressed disappointment and regret that the difficulties in the peace process limited progress within the Barcelona framework. Yet not only did Europe fail to contain rivalry between Israel and the Arab states, and prevent it from affecting the agenda of the Barcelona process but, as has been shown, through its own policies it contributed to the conflation of the two processes. Faced with recurrent stalemate in the peace process since 1996, the European Union was determined to play a more active political role in the proceedings. As a result, the Middle East peace process was

International Politics, no 45 October 2002 (http://www.fscpo.unict.it/EuroMed/jmwp45.htm)

defined, de facto, by the European Union as an integral part of its Mediterranean policy.

# The Al Aska Intifada, 9/11 and the Iraq War

The assessment by the European Commission fours years ago that a breakthrough in the peace process would allow for progress in the political and security aspects of the Barcelona agenda was based on false optimism. It failed to take into account the motivations and policies of the Southern Mediterranean states towards regional security cooperation and the inclusion of Israel in any future joint cooperative structures. A series of critical developments over the four years since the issuing of that statement – the collapse of the peace process between Israel and the Palestinians and outbreak of the Al Aska Intifada, the wave of suicide bombings in Israel and the repressive measures adopted by Israel to quell the Al Aska Intifada, the attacks of 9/11 on the United States by Al Queda and the Iraq war – have resulted in a major shift in the geopolitical dynamics of the Middle East and have rendered the prospects for regional cooperation and the normalization of relations with Israel to virtually nil.

The impact of these events has resulted in the strengthening in the relationship between Israel and the United States and a marked deterioration in the relations between Israel and Europe. The changes in the these two set of relationship have been most pronounced at the conceptual level, on how best to bring about order and stability in the international system, rather than any significant shift at the material level. In the initial years of the Euro-Mediterranean partnership, Israel was skeptical of the benefits to be accrued from its participation in the

Barcelona process. It questioned the interests of the European Union in the Mediterranean and doubtful of its capacity to affect socioeconomic change in the region. At the same time, participation in the Barcelona process served Israel's interest in bringing about normalization in its relations with the Arab world. The economic development and socio-economic reform in the Arab world were seen as important elements in bringing about regional stability. As such, it saw the Barcelona process as a means of opening up channels of communication and developing a dialogue with the Arab world.

The past four years have witnessed a see-change in Israel over the prospects for, and the utility of, regional dialogue. The collapse of the peace process between Israel and the Palestinians and eruption of the Al Aska Intifada resulting in wave of suicide attacks has led to the gradual erosion in the belief amongst the Israeli public of attaining peace with the Palestinians, and of the possibility of coexistence with the Arab world. Conflict management and conflict containment has replaced the peace process as the primary explanation for Israeli policies. The projection of military force, deterrence and preemptive action have been seen by Israel as the best guarantor of its security. This has led to Israel to forcefully pursuing the isolation of the Yasser Arafat and the delegitimation of the Palestinian Authority as a political partner, and embarking on a policy of targeted killings against Palestinians either engaged in or associated with groups engaged in terrorism.

In the emerging competition between the United States and Europe over the use of material power and preemptive practices and the utility of normative power and cooperative practices, as identified by Adler and Crawford in the opening chapter in this volume, the governing coalition in Israel is of one mind with the United States. Israel has sought, successfully, to identify and link its struggle with the Palestinians as part of Washington's war on global terrorism. Reform of the Palestinian polity is seen by Israel (and endorsed by the United States) as prerequisite for any renewal of a political dialogue. This was the underlying logic of the Road Map adopted by the parties in April 2003. At the same time, the conditions and the dynamics of such reform have been determined by Israel and the United States and imposed by force and persuasion whilst the incentives and rewards for the Palestinians have remained imprecise. Untrusting of the Palestinian determination to undertake such measures and to effectively fight terrorism, Israel has sought to isolate itself physically from the Palestinians and to disengage unilaterally from the peace process. The American endorsement of Ariel's Sharon's plans for unilateral disengagement and the building of the separation fence to envelope Israeli settlements in the West Bank marks the dominance of of Israel to project power and create new geopolitical realities and (re)shape the political agenda.

Whilst Israel and the United States have grown closer, so Israeli-European relations have deteriorated to an all-time low. For many in Israel, Europe has become a 'lost continent' ready to side with the interests of the Arab world and the Palestinians. 'Old Europe' cannot be trusted. The projection of normative power is dismissed, at best, as an expression of European weakness, and is seen as an outcome Europe's lack of capacity and of its inability of playing any effective role in bringing about change in the Middle East.

That is not to dismiss the long-tem importance of the European Union for Israel, nor the necessity of bringing Israel and its Arab neighbours together to deal with common problems in a cooperative manner. But it is unlikely that such a process will take place within a Euro-Mediterranean context. Given the geo-political and geo-economic changes resulting from the process of enlargement of the European Union, the Euro-Mediterranean partnership, as constituted in Barcelona, faces the risk of collapse. With the Arab states unlikely to engage in regional cooperative ventures with Israel in the near future, and the accession of Cyprus and Malta to the European Union in May 2004 and possible Turkish membership in the future, the Euro-Mediterranean partnership may well be transformed into a modified form of the Euro-Arab dialogue of the 1970s. Given these geo-political developments, Israel will look to strengthen its relationship with the European Union through the framework of the Wider Europe initiative of March 2003, rather than through a Euro-Mediterranean context. Indeed, the Wider Europe initiative is an acknowledgement by the European Union that its approach to future relations with its neighbouring states will be conducted not through a 'one-size-fits all policy,' but will involve taking into account the varying socio-economic standing of each country.<sup>26</sup>

At some point Israel and the Palestinians will need to return to the negotiating table. New frameworks and initiatives will be required to

<sup>26</sup> Communication from the Commission to the Council and the European Parliament Wider Europe- Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours. Com (2003) 104. Final Brussels 11.3.2003, p. 6.

bring about Arab-Israeli rapprochement and reconciliation. The European Union will have a critical role in fostering such a process. But any future initiatives will need to be far more modest than the grandiose schemes laid out in the Barcelona Declaration of November 1995. The European Union will need to take into account the constraints facing Israel and the Arab states and to draw upon the lessons learned from the failings of the Barcelona process. It will require imagination, determination and leadership. But it is a challenge which none of the parties can afford to ignore.