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The European Union and Israel:
A Political and Institutional Appraisal



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PREFACE

This study is based on research conducted during 1993-1995, principally at Brussels, headquarters of the European Union, and in Israel. It happened to be a period of dramatic transformations in Israel and the Arab Middle East, and in the EU as well.

The Middle East peace process, initiated after the Madrid Peace Conference in 1991, has given real promise of success. That is all the more reason to analyze the Israel-EU relationship, against the background of the institutional and policy changes within the EU itself. The changes in the nomenclature employed—from European Community (EC) to European Economic Community (EEC) to European Union (EU)—reflect to some extent these major transformations.

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Furthermore, I am much obliged to Adar Primor for making available to me an unpublished paper on CEJI, which he wrote while a student at the College of Europe in Bruges during the academic year 1991-92. I extend to him my special thanks for supplying information on the early period of CEJI's existence.

I thank all those who have encouraged me in my research, but the responsibility for any errors of fact or judgment is naturally mine alone. Last but not least I wish to express my gratitude to my wife Rita, without whose support, understanding, patience, and good judgment this study could not have been completed.

Now, as a new chapter opens for the people of the Mediterranean region, it is my hope that this study will enhance understanding and mutually beneficial interaction among them.

INTRODUCTION

The European Union* is Israel's largest trading partner and plays a major political role as the foremost European power. It is therefore important for Israelis and European Jewish leaders to improve their understanding of the EU: to learn how EU decisions are reached, where Israel fits into the strategic goals of the Union, and how the various instruments of the EU can serve the mutual benefit of the Union as well as Israel.

This study will also attempt to describe and assess the elements that shaped the EU-Israel relationship in the past, and may influence it in the future. In this connection, issues of integration within and outside the Community will also be addressed, insofar as they may affect the EU's relations with Israel and the European Jewish communities. Naturally, EU decisionmaking will also be influenced by the policies of Israel. Thus, for example, the long delays in concluding the new EU-Israel Association Agreement were clearly influenced at least in part by Israel's incursion into Lebanon in 1982, and the many strictures placed by Israel on the Palestinian population of the occupied territories.

Now, as Israel and its neighbors anticipate the prospects of comprehensive peace in the Mediterranean/Middle East region, they must focus on a multitude of economic and political factors that will affect the region's future. Chief among them is the relationship between the EU and the other countries of the region. Among all the countries of the area, the EU is the undisputed "superpower." With a total population of 371 million, a GDP per capita of

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^{*} The terms "European Union" and "Community" are used interchangeably in this paper.

\$18,528, a budget of about 86 billion ECUs in 1995, and stable, democratic governments, the Union plays a major role in the region as well as in the world at large. The Union's trade with Israel also grew rapidly during the 1970s and 1980s, amounting to 35% of Israel's exports and 50% of its imports in 1994. Although the EU's power cannot be compared to that of the United States, its economic and political strength, bolstered by historical association, assure the EU's strong presence and interest in the area.

For Israel, links with the EU are of paramount importance. The EU rose on the ashes of World War II, its leaders determined to build a peaceful, democratic, stable, and united Europe. Although these goals remain only partially fulfilled, no one could deny the tremendous progress that has been made. For Israel, however, the relative success of European integration and the rise of a strong, democratic Europe did not automatically bring about the hoped-for benefits.

Israel's needs were a complex bundle of security, economic, political, and psychological concerns. As the safe haven for the remnants of the Holocaust and of the Jewish communities in Arab countries, Israel required economic assistance for its survival in the immediate postwar period. Even more important, Israel required security and the means of defending itself in the face of persistent belligerency by the Arab world. The need for political security was no less pressing, but it also had its price—dependency in foreign policy, primarily on the United States.

Last but not least, the trauma of the Holocaust has continued to cast a pall over the relationship with Europe. In hindsight, it is now evident that Israelis and Europeans were viewing each other through a prism of mutual exaggerated expectations. Israel, the heir to the remnant of the Jewish people in Europe, expected understanding, sympathy, political support, and all sorts of material succor from Europe. In the face of unremitting Arab hostility, it expected and demanded Europe's full backing. When this was not always forthcoming, Israelis attributed it to "appeasement of the Arabs," or, worse yet, to antisemitism. European leaders, in turn, chided Israel for its treatment of the Arab population, especially in the areas occupied after the Six Day War, and for antiterrorist incursions into neighboring Arab countries. Although

EU-Israel relations fluctuated and in many regards (particularly in the economic sphere) became more friendly over time, the underlying misperceptions persist.

What both sides chose to ignore was the fact that relations among large political entities are usually governed by interests, and less (if at all) by sentiments. Thus if we want to understand the EU's decisionmaking process with respect to Israel, we must see it as a contest among competing interests.

Moreover, and not to be forgotten, the EU's decisionmakers operate within the limits imposed by the institutional and structural framework of the EU as a whole. Only when both the bureaucratic and policy elements are recognized and brought together can the decisionmaking process advance. Thus, decisionmaking within the EU generally follows a lengthy process of information gathering, evaluation, discussion, and informal negotiation. The structure and organizational powers of the EU support this modus operandi.

INSTITUTIONAL INFRASTRUCTURE: FORMAL ELEMENTS IN DECISIONMAKING

Decisions by the European Union that affect Israel must be seen within the broader context of national interests of EU members and of actions generated by the various Community institutions, including the Council of Ministers, the European Commission, and the European Parliament. As time passes and the economic and political weight of the Community further increases, Community actions will increasingly reflect this duality of the decisionmaking process. Perhaps EU policy can best be understood as a two-headed animal (some would say monster)—one head directed at the safeguarding of the national interests of specific member countries, the second head at the growing needs for integration of economic, social, and political development within a unified Europe.

Virtually all programmatic activities of the Community are subject to some form of bureaucratic scrutiny. In the end it is the interaction of all the relevant Community institutions and instruments that produces final action on specific

issues or proposals. We shall now look at major formal instruments in the EU's decisionmaking process.

Council of Ministers

One of the pillars of the Treaty of Rome on which the EU is founded, the Council (also referred to as the European Council) is officially designated as "the EU's decisionmaker." This reflects the fact that all major Community policies and actions must have the approval of the Council, in which all member countries are represented at ministerial and sometimes head-of-government level. Council deliberations are closed; decisions are taken according to different voting formulas, which in turn depend on the subject being debated.

Decisionmaking at the highest level of the EU takes place in the semiannual European Council meetings. These meetings are held at the level of heads of state or government, and are presided over by the Council president. Since these meetings represent the highest level of political action within the Union, they are reserved for top policy decisions. The European Council mechanism was first adopted at the Dublin Summit in 1975, and was formally established in the Single European Act of 1986. Since then the European Council summit meetings have become a regular part of the political landscape. Their prestige and influence are supposed to be considerable, provided the meetings also have the support of the upper bureaucracy. In this connection, the special declaration on Israel, passed at the Summit in December 1994, was clearly designed to enhance Israel's standing vis-à-vis the Community, and to pave the way for negotiation of a new EU-Israel agreement.

Under the basic Treaty of Rome framework, which has given legitimacy to the EU, the Council may—depending on the nature of the subject being considered—take decisions by a simple majority, a qualified majority, or by unanimity. Although such actions represent official decisionmaking at the top of the Community structure, they tell us little about the dynamics that brought these decisions about and influence the Council in its daily deliberations. To

gain insight into this aspect, we must first examine the various formal elements that precede official acts of the Council.

Presidency: Built directly into Council operations is the six-month Presidency of the Council, which rotates among the Council members. The president is expected to preside over the Council, provide leadership to the Community, and help negotiate agreement and consensus on issues before the Council. The Presidency may call upon the so-called Troika, which consists of the present, immediate past, and next presidents of the Council, as well as the president of the European Commission. The Troika's purpose is to lend added strength and prestige to the Presidency in its main function of negotiation and representation. In addition, the Presidency arranges for informal consultations, designed to foster compromise and agreement before official actions are taken.

Council Committees. Parallel to the official Council bodies are two committees (COREPER I and II), consisting of the permanent representatives (or their deputies) of member countries to EU headquarters. The committees function as a bridge between the Council and other parts of the EU. Their principal task is to prepare the proposals to be acted on by the Council, and make recommendations concerning action by the Council. COREPER members have the dual function of representing their countries to the Community and negotiating the proposals to be submitted for Council action.

In addition to COREPER, the Council is served by more than one hundred committees and Working Parties. These groups consist largely of expert civil servants of member countries, and work with their respective COREPER representatives under the overall supervision of the Presidency.

The Council and its infrastructure clearly reflect the dual nature of the Union. The Council and the Presidency emerge as the strongholds of national (intergovernmental) interests and goals, in contrast to the integrative forces active in other parts of the Community.

European Political Cooperation (EPC). One of the least understood operations of the EU Presidency is known as the European Political Cooperation (EPC). As the Community grew both in size and influence on the European scene, so did pressures for developing integrated EU foreign policy positions on some issues on which there was general consensus among

the member countries. The result, authorized by the Heads of Governments meeting in the Hague in 1969, was the establishment at EU headquarters of a small staff of diplomats seconded from the foreign ministries of member countries. Their task was to try to develop a Community policy and position on various foreign policy issues, and advise the Presidency on foreign policy matters. By placing the new entity directly under the Presidency, limiting its size, and requiring that it work by consensus, it was made clear that EPC was not intended to replace the intergovernmental character of the Council of Ministers and its instruments.

EPC began to operate in the early 1970s. Its primary objective was to try to develop EU policy on various foreign issues and advise the Presidency on foreign matters in which the EU might get involved. Over time the activity of EPC has broadened, as has its technical capacity for effective consultation and quick reaction.

In order to speed up and improve the technical capacity of the EPC consultative mechanism, a confidential, secure telex network called Coreu was established, which links the 15 foreign ministers with the EPC Secretariat and the Commission in Brussels. One indication of the growing use of the consultative mechanism is the expanded activity of the Coreu network, which in 1992 carried more than 10,000 messages compared to 7,548 in 1990.²

The acceptance of EPC as an integral part of the Community infrastructure has to some extent legitimized the inclusion of foreign policy in Community decisionmaking. EPC was instrumental in developing a common Community policy that found its public expression in the Venice Declaration of 1980 (see Appendix for text) and subsequent similar policy declarations. From Israel's point of view, the Venice Declaration was largely unacceptable. EPC's role did demonstrate the potential of the EPC mechanism to unite members behind a common policy, but also showed EPC's inability to bring about a substantive change in Israel's policy.

In view of the limitations on its scope of action, including the requirement of "consensus" (in effect a veto), much of EPC output remains declarative and hortatory, far from effective action. Its work mainly consists of informal and confidential consultation and coordination. This may or may not result in

public action, but in any event could play an important role in the future formulation and implementation of a Common Foreign and Security Policy (CFSP), as foreseen in the Treaty of Maastricht.

European Commission

Among the many institutions of the Community, the Commission is perhaps the most important one. It has broad executive powers to carry out the policies and decisions of the Community, initiates legislation, proposes and negotiates agreements with foreign countries, and represents the Community abroad. It prepares the Community budget and takes the initiative for the consideration of new policies. As the "guardian of the Treaties," the Commission also has broad supervisory obligations.

As of 1990 the Commission had a staff of about 14,000³—the largest of the Community institutions. It is administered by a cabinet of 20 commissioners chosen by the member countries. Each commissioner has a portfolio of one or more Directorates General, for which he or she is responsible. In accordance with the Treaty of Rome, commissioners must have "competence and independence beyond doubt," and "shall neither seek nor take instruction from any government or from any other body."

The president of the European Commission is appointed for five years from the cabinet of commissioners. His appointment must be approved by consensus (i.e., unanimous approval) of the Council of Ministers, and also requires the approval of the European Parliament. The president of the Commission is also a leading spokesperson of the Union, and has considerable influence on policy development and execution. For this reason the selection of a new Commission president is a delicate and sometimes highly sensitive matter. This became very clear in 1994 when Great Britain vetoed the candidacy of the former Belgian prime minister, Jean Luc Dahaene, out of fear that he would be too "integrationist." The incident highlights the ongoing tension between the Community's intergovernmental and transnational elements and interests.

In the contest of 1994, the winning candidate, former Luxembourg Prime Minister Jacques Santer, was not known to have contributed particularly to the cause of integration. German Chancellor Helmut Kohl, in introducing Santer to the press, said: "We need someone who can bring reasonable compromise. Jacques Santer is the right man at the right moment."

Commission-Council Relations

The Treaty of Rome specified in detail the functions of the Council of Ministers and of the Commission. The regime it established reflects the interdependence of the two institutions. The Council and its various associated institutions act and are governed along the lines of an intergovernmental alliance, in which each member country weighs its particular interests in relation to the proposed Community actions and policies. The Commission, on the other hand, is expected to operate in the transnational mode, seeking to advance the collective interests of the Community at large, without favoritism to any individual member. Hence, enshrined into the daily operational code of these two institutions are principles and practices of interdependence, dialogue, negotiation, and compromise.

The executive functions are carried out by the commissioners in accordance with their respective portfolio responsibilities. Most of the portfolios are concerned with the internal operations of the Community. However, the EU is increasingly also compelled to devote attention to the foreign policy aspects of its operations. Accordingly, the foreign policy portfolio has been subdivided into political and economic parts, and assigned to three senior commissioners. In addition, another commissioner has responsibility for cooperation with Middle Eastern, Latin American, and African countries. As new issues arise (e.g., involving the environment or transportation), additional commissioners may be drawn into the action process. Last but not least, the president of the Commission represents the

Community in many international forums, and heads a think tank called the Forward Studies Unit.⁶

The Commission, the Council, and to some extent also the European Parliament are interdependent entities, which together govern the vast apparatus of the Union. To make this process workable, the Union has developed techniques of consultation and compromise. The Commission's key decisionmaking role does not derive from a formal mandate but from its powers as initiator, executor, and monitor of policies and activities, including those involving nonmember countries. By carrying out these multiple tasks, delaying them, or failing to carry them out, the Commission is in fact engaged in a steady stream of decisionmaking actions.

The Maastricht Treaty

The Treaty on European Union (Maastricht Treaty), approved in 1992, maps new modes of cooperation and integration in Europe. Even though some elements of the Treaty, notably the Economic and Monetary Union (EMU), have not been accepted by all members, many other innovations have been accepted. Most important among these is the notion of a common foreign and security policy, which may be expected to go beyond the existing elements of European Political Cooperation. The Commission's ready involvement in the multilateral and regional aspects of the Arab-Israeli peace process is clear evidence of the potential effectiveness of the Maastricht Treaty approach.

In this connection it may be significant that the new Treaty authorizes an expansion of the EPC staff, while at the same time integrating the EPC mechanism into the Council structure. This is accomplished by making the EPC staff responsible to the Presidency and the Political Committee of the Council. In addition, powers of the Parliament have been strengthened, notably by introducing the so-called Co-Decision procedure. Under this procedure (Art. 189b of the Treaty on Union), a lengthy conciliation process lasting up to 13 months would be initiated and the Council would require unanimity in order to override Parliament's opposition to a measure.

OPERATIONAL ASPECTS OF DECISIONMAKING

The Commission in Negotiations

As noted, the Commission is by statute the principal initiating and executing institution of the Community. In this capacity the Commission has also become the chief negotiator of the EU, whose influence on the substance of negotiations may be considerable. The Israeli negotiating style, as exhibited in the negotiations for the new treaty between the EU and Israel, seems intent on obtaining high-level intervention and a "special relationship" in order to help overcome differences. German Chancellor Kohl, during a visit to Israel in June 1995, warmly endorsed the "special relationship" notion, thus no doubt strengthening the Israeli position in the negotiations.

For many years Israeli representatives had urged the EU to conclude a new agreement with Israel, reflecting the new conditions that had arisen since conclusion of the earlier agreement in 1975. However, it was only in the aftermath of the 1990-1991 Gulf War, which highlighted Israel's support for the West—in contrast to the PLO's and Jordan's embrace of Iraq—that the EU decisionmakers were moved to consider Israel's request favorably.

One of the frequent criticisms of the EU has been the slow pace of its decisionmaking mechanisms. Indeed, it appears that there is a significant time gap between conception of policies and programs and their execution. It was October 1992 when EU Commission President Jacques Delors, responding to the pleas of Israel's Foreign Minister Shimon Peres, stated publicly that the time had come to draft a new EU-Israel Cooperation Agreement, taking into account the economic and political changes that had taken place in Israel and the region since the EC-Israel agreement of 1975.

Following this announcement, three rounds of exploratory talks took place between the European Commission and Israeli officials. The talks ended in May 1993, and included a visit to Israel by a vice-president of the Commission, Manuel Marin, who is responsible for cooperation with

Mediterranean and Middle Eastern countries. At the end of these consultations, the Commission submitted its analysis and recommendations for negotiations to the Council of Ministers and the Presidency for approval.

By the spring of 1994, neither the Greek Presidency nor the Council of Ministers had yet taken any formal action. As the Greek ambassador to Israel, Constantine Tsokos, commented: "Bureaucracy is an international phenomenon we all suffer from Israel knows this. It took 19 years for new realities to make it necessary to renegotiate the 1975 agreement."

Finally, two years after the formal announcement, the Council of Ministers and the Presidency authorized the Commission to open formal negotiations for a new Association Agreement with Israel. It had taken more than two years to begin the negotiating process. The treaty was finally signed in November 1995, three years after the political decision had been taken.

The Corfu Summit Conference of the European Council, held in June 1994, took note of the slow pace of the negotiations and urged their completion before the end of the year. ¹⁰ It issued a similar message concerning parallel negotiations with Morocco and Tunisia, and noted the conclusion of negotiations for a Partnership and Cooperation Agreement with Russia.

In the case of Russia, negotiations took only a year and a half, and the Agreement was signed by Boris Yeltsin at the Corfu Summit Conference in 1994. The EU Commissioners for External Relations and East European Economic Relations, Hans Van Den Broek and Sir Leon Brittan, respectively, welcomed the Agreement as placing EU relations with Russia "on a far sounder footing" and marking a "milestone on the road towards greater economic and political stability across the entire continent." ¹¹

Israeli and European observers of the negotiating process for the EU-Israel Agreement seem to concur that although economic issues were very important in the negotiations, political linkages to the Arab-Israeli peace process and the EU's renewed Mediterranean policy would in the end determine the scope of the new Agreement. A similar process no doubt also took place in the EU-Russia negotiations and plays a role in the EU negotiations with other Mashreq countries. As we have seen, the structure of

the EU, with its multiplicity of committees and consultative mechanisms, reflects two sometimes contradictory goals: the desire for flexibility and economic rationality through integration, vs. the protection of national interests and intergovernmental processes.

Powers of the Commission

The most powerful institution for nonformal decisionmaking in the EU is undoubtedly the Commission. Its formal functions, described earlier, hardly indicate its real powers, which rest in the varied mandate it has to fulfill. Without the Commission, the whole edifice would grind to a halt. The Commission (or its president) not only determines what is contained in the mountains of publications and reports generated by the Community, but also has the option to remain silent, i.e., not to endorse, publish, or place on the agenda issues that the Commission wishes to sidetrack. Thus, for example, the Community's relatively "soft" policy on the Arab boycott of Israel found its expression primarily through the absence of action recommendations by the Commission, and by making antiboycott actions dependent on positive outcomes of the peace process.

Another nonformal channel by which the Commission influences decisionmaking consists of its personnel policies at senior levels. These reflect to some extent the power relationships at the top of the organization. Thus in the latter years of the Delors regime, foreign policy and security matters, including the Arab-Israeli conflict, were handled largely by five commissioners—the French Jacques Delors, the British Sir Leon Brittan, the Dutch Hans van den Broek, the Spanish Manuel Marin, and the Greek Yannis Paleokrassas. Although commissioners are sworn to impartiality once they reach their high office, they are nominated by "their" respective national governments and thus have an implicit interest not to run afoul of their national government's views. Moreover, the presence of strong political personalities, such as Delors, was bound to influence Commission policies. It

remains to be seen whether the newly elected commission president, Jacques Santer, will proceed similarly.

Continuity and Change in the Council and Its Presidency

The Council of Ministers, "the Council" for short, is known as "the Community's decisionmaker." As mentioned earlier, all member countries are represented in the Council and its substructures. Ordinarily countries are represented by their foreign ministers and/or by the ministers responsible for the particular subject being discussed. Their decisionmaking capacities depend to a large extent on the preparatory work of the COREPER I and II committees. Countries are usually represented in the COREPER by their permanent representatives in Brussels, assisted by national experts if necessary, and aided by an intricate committee and working group structure responsible to the Secretariat of the Council.

Major policy questions or initiatives (e.g., enlargement of the Community, agricultural policy, long-term financial commitments) may be referred to the twice-yearly meetings of the European Council, which are held at heads-of-government level. In addition, the Council of Minister's decisionmaking process is influenced by the activities of the Presidency, a separate element in the Council structure.

In one way or another, all EU official acts and policies require approval by the Council. In most instances, Council approval must be given by unanimous vote. This puts a premium on obtaining broad support from all members and thus can work to strengthen the unity of the organization. However, the opposite may also occur, i.e., a readiness, for the sake of unity, to reduce issues to their lowest common denominator and thus weaken their impact. Many EU declarations on political events fall into this category.

The requirement for unanimity remains one of the most contentious issues in the operation of the Council, since it means that each member in effect has veto power over Council decisions. That this power is not simply symbolic has been shown on many occasions, including decisions in the area of foreign

affairs. For example, in 1992 Greece blocked diplomatic recognition of the former Yugoslav Federal Republic of Macedonia, and also held up a new Cooperation Agreement with Turkey.¹³

With the passage of time Community leaders concluded that the unanimity principle needed some modification, lest it become a major barrier to progressive development of the Community. Accordingly, changes in the voting procedures and in other Council processes were introduced to reduce some of the rigidities in the formal decisionmaking process.

The first step along these lines was the introduction of the "qualified majority" voting formula. Under this formula decisions are reached by weighted votes, which are allocated according to the size of the member country. Thus the four largest countries, Germany, France, United Kingdom, and Italy, each have 10 votes, and the smaller countries proportionately fewer; the smallest, Luxembourg, has only two. ¹⁴

The Presidency in action. The Council Presidency, which rotates for sixmonth periods among member states, is the pinnacle of the decisionmaking process in the Union. The principal statutory function of the Presidency is to provide leadership for the Union during the six months of the president's incumbency.

Parallel to the president's actions on internal Community questions, the president also heads EU involvement in foreign affairs through his own initiatives, or through the established network of EPC. The Maastricht Treaty greatly strengthens the role of the EU Presidency in the political realm. By providing additional resources for the EPC staff, the Presidency should be in a better position in the future to fulfill its role in foreign policy. Moreover, by abolishing the EPC Council of Ministers, the Presidency is likely to emerge stronger and better able to help develop a unified foreign policy for the Community. Some of the success or failure of the Presidency depends on objective factors beyond a president's reach. A large part, however, also depends on the presidency, and on the informal codes of conduct that have been developed over the years.

These include the practices of (a) holding informal Council meetings at some attractive outside location, such as a castle or estate; (b) making full use of the advisory powers of the Troika; (c) communicating with the public through visits to member states; and (d) conducting informal diplomacy through frequent contacts with Council members.¹⁵

An example of the resistance to public diplomacy is former British Foreign Secretary Douglas Hurd's remark that "it would not be practical to open up the meetings to the press and the public . . . you just get ministerial posturing and the real negotiations retreat along the corridors." Clearly, the deeply rooted ambivalence of the EU leadership toward openness and transparency persists.

Despite the attempts to broaden the inputs into decisionmaking, much of the process has remained closed to the general public and to large parts of the Community bureaucracy. Responding to criticism from grass roots and political organizations, the Council has taken some steps to lift the veil of secrecy surrounding its decisionmaking. The Council decided that in principle voting records would be made public, unless a majority of the members were opposed; votes on defense, justice, police, and foreign issues could be made public only if all members were in favor. 17

In these modifications we see, again, the ambivalence toward openness. On the one hand there is the traditional dedication to secret diplomacy and closed political discussion as effective negotiating tools, and on the other there is growing popular pressure to broaden participation in the discussions leading up to the Council's decisionmaking. This trend suggests that as the EU grows, so will opportunities to influence the Council's actions. However, even with the changes toward greater openness, the dominant mode in the Council is likely to remain one of closed decisionmaking, but with greater sensitivity to external influences than in the past. In light of these circumstances, Israeli and European Jewish observers of the Brussels scene should be devoting increased attention to the Parliament and its offspring—the Cooperation Council, Inter-Group Israel, and various parliamentary subcommittees.

Role of the European Parliament

The European Parliament is the most democratic of the major institutions of the EU. All of its 567 members are chosen by direct, secret, and universal suffrage, according to the electoral laws of each country. Within the Parliament itself there are no national groups; instead there are nine political groupings ranging from Left to Right. The largest is the Socialist Group (198 members), followed by the European People's Party (157 members), the European Democratic Group (43 members), and six smaller groupings. 18 Parliamentary approval or rejection is subject to majority vote. procedures have greatly strengthened the Parliament's democratic image, but they have not sufficed to improve the Parliament's reputation as Community institution with the least influence on the decisionmaking process. The reason for this apparent contradiction goes back to the basic conflict in the perception of the Community: should the EU function primarily as an intergovernmental union, or as a transnational entity en route to a fully integrated Community?

The traditional objectives of parliaments in democratic countries are to (a) provide a balance to powers of the executive branch; (b) originate and/or modify proposed legislation; and (c) provide a two-way bridge between the general public and the government. Before the ratification of the Single European Act of 1987, the European Parliament did not have the capacity or perhaps the political will to try to act in accordance with those objectives. The most substantive responsibility given to the Parliament was the review of part of the annual budget—i.e., the portion not already committed to fixed costs. In addition, the Parliament had the right to be briefed regularly by the president of the Commission and the president of the Council, and to submit the Parliament's opinion on actions taken or proposed by the Commission and the Council. However, neither the Commission nor the Council was under any obligation to accept the Parliament's advice.

Because of the relatively limited roles allowed to its members, the Parliament is placing greater emphasis on public contacts between the Community and the home constituency, as well as on the international arena beyond the confines of the EU. The Parliament has had the advantage of being the only Community institution that is almost completely open, but this has not compensated sufficiently for its institutional weakness. For a long time, outside observers who wanted to know and influence what was going on in the Community had to look elsewhere. In essence, the Parliament's capacity to participate in the Community's decisionmaking process was minimal.

With, however, the enactment of the Single European Act in 1987 and the Maastricht Treaty in 1992, the potential role of the Parliament was greatly strengthened. Under these two treaties the Parliament gained a number of rights, including (a) approval of appointment of the president of the Commission and of the 20 commissioners; (b) approval of agreements with nonmember countries; (c) approval of new members; (d) a cooperation procedure for parliamentary approval of new legislation; and (e) a codecision procedure enlarging policy areas in which the Parliament has veto powers.

The preparatory work of the Parliament is performed by 18 committees and a staff of 3,000. As noted, the Parliament is the only major Community institution that operates with almost total "transparency," i.e., open debate and information. The Parliament views itself as a body responsible to the general public, and is therefore particularly sensitive to such issues as human rights, occupied territories, boycotts, and so on.

To be sure, the powers of the European Parliament are less extensive than those of most national legislatures. Many of the activities of the Parliament remain outside the decisionmaking process of the Community. Nevertheless, the powers of the Parliament have grown over time, enabling it increasingly to have at least an indirect influence on the decisionmaking process.

Contrary to the operations of the Council of Ministers, which are geared to the protection of national (i.e., intergovernmental) interests, Parliament operations are more open to integrative and transnational policies and issues. In the last elections, held in 1994, voter participation was 56% out of a total of 269 million eligible voters. The Parliament continues to be dominated by two major blocs; all in all, however, the Left and Center-Right parties fell short of

an absolute majority of 284 votes. Thus a working coalition of the two major blocs is needed to approve important legislation.¹⁹

Given the substantial accretion to the powers of the Parliament, it now remains to be seen whether and how the parliamentary leadership can transform these new powers in order to fashion a stronger European Parliament. The obstacles to such a transformation are partly technical and partly ideological. The technical difficulties relate to the slow, complicated pace of work, which seems to be endemic to the EU as a whole but in the case of the Parliament is made worse and much more costly by the requirement for constant movement among the three "sites," Strasbourg, Luxembourg, and Brussels. The ideological obstacle is a reflection of the old confrontation between the "integrationists" and those who want to preserve and perhaps strengthen the intergovernmental character of the Community. For the latter group, strengthening the powers of the Parliament threatens the powers of the Council, and especially its capacity to influence EU decisionmaking. The Parliament as an institution has been subjected to criticism, in particular for the widespread absenteeism of its members and the excessively broad interpretation of its mandate. Indeed, it is not at all clear where the legitimate bounds of the Parliament's involvement lie.

From Proposal to Decision

The foregoing has shown that decisionmaking in the Community is not a unilateral process reserved for the country representatives in the European Council. It seems clear that at least on major issues there are bound to be interventions from a multitude of EU or EU-related sources, not all of which can be accommodated in the final EU decision. More likely is a situation in which the various inputs are negotiated with a view to achieving a position acceptable to all participants in the negotiation.

If we examine the inner workings of the EU bureaucracy, it is evident that all the major institutions of the Community have an interest in contributing to the decisionmaking process, either directly or indirectly. The process is likely

to originate in the Commission, which is charged with proposing and executing EU policies²⁰ (see Figure 1). As we have seen, the president of the Commission, Jacques Santer, is assisted by 19 other commissioners, appointed by member states and also approved, in accordance with the Maastricht Treaty, by the European Parliament. Each of the commissioners has a portfolio of subject areas for which he or she is responsible (e.g., agriculture, environment, foreign and security policies, finances). These subject areas are divided into Directorates General.

Commission proposals are prepared in a number of different ways: inhouse by civil servants of the Commission; by Working Group experts of the various Directorates General; or by outside think tanks or academic institutions, such as the Center for European Policy Studies, the Belmont European Policy Center, or the Institute for European Policy. An intensive period of internal discussion follows the presentation of a draft, until a paper representing the position of the Commission is agreed upon.

The next station along the way to decisionmaking is likely to be the General Secretariat of the Council, which assigns the draft decision to one of many Working Groups staffed by member countries, or to the Committee of Permanent Representatives (COREPER I or COREPER II). In accordance with the Maastricht Treaty, the Parliament's role in reviewing pending legislation or other decisions is in fact growing. The new codecision procedure mentioned earlier may delay parliamentary approval for up to 13 months, and parliamentary committee review up to two years.

What is evident from this description of the bureaucratic process within the Union is that a broad and complex series of consultations must take place before decisions are made. The guiding principles implicit in this consultation process are: negotiate; compromise if possible and necessary; stand firm on basic positions. These principles are built into the philosophy and operating mode of the EU. If they were not applied, the entire process leading to decisionmaking would come to a grinding halt. EU officials agree that the process is intricate and time-consuming, but they point out that it fosters adherence to the wishes of the Community leadership, and helps maintain the

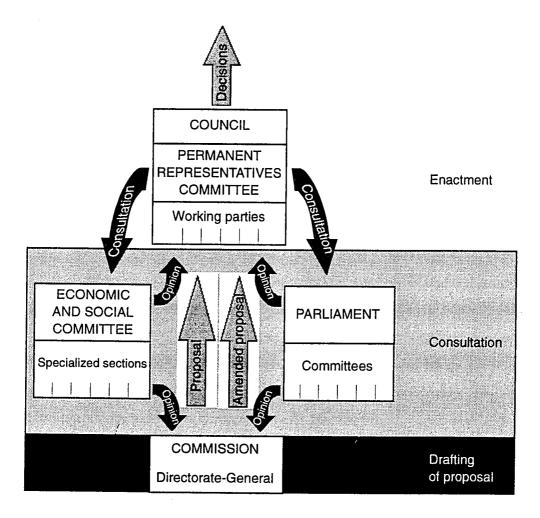


Fig. 1. The EU's decisionmaking process.

Source: Noel Emile, "Working Together: The Institutions of the European Community," Office of Official Publications of the European Community, 1988.

balance between the national and transnational policy trends within the Community.

Major policy issues such as enlargement of the Union or relations with non-EU countries may require years of internal consultations and formal negotiations before agreement is reached. The largely closed process of discussion or evaluation within the EU does not allow for outside participants or observers. However, over the years the Community has developed a network of informal and often unofficial contacts and consultations between its officials and negotiators and other parties. At this point the Presidency of the Council, or the three-nation Troika, can play an important role by bringing key actors together. These contacts typically include small, closed, group weekends at Dimnych castle or other estates in the area; personal visits to key countries or individuals; informal lunches or dinners; and extensive telephone and electronic communications.

PUBLIC PARTICIPATION: THE LOBBIES

No analysis of the decisionmaking process would be complete without an understanding of the role played by the public. We have already seen that the Community leadership seems ambivalent concerning the extent to which outside influences can or should be brought to bear on EU institutions. On the one hand the EU bureaucrats are increasingly aware of their needs for information and expertise, which can be provided by various interest groups. They are also mindful of the frequent demands from within the Community and from outside forces for greater democracy and openness in reaching and executing decisions. On the other hand, long-ingrained habits of secrecy among bureaucrats and diplomats are not easily abandoned. Moreover, as all negotiators know, discretion is often essential in overcoming particularly difficult problems in negotiations.

In any event, with the continuing growth of the Community and the demand for technical expertise, there has also been a steady growth of interest groups wishing to influence EU policies or actions. A recent study of

lobbying activity involving the EU concluded that both the volume and style of lobbying have changed dramatically, particularly during the 1980s. By the end of that decade, the number of lobbyists had increased tenfold since the early 1970s and fourfold since 1985.²¹

In keeping with this, as of 1983 there were estimated to be some 500 active lobbies operating in the Community, most of them concerned with intracommunity affairs while about one-third were agricultural interest groups; since then, both the volume and nature of the lobbying activities have changed drastically. Andersen's most recent study estimates the total number of lobbyists and national interest groups at 3,000-10,000, depending on how they are counted. The spectacular rise in EU lobbies can be seen in Figure 2. The Community has taken note of the services that can be provided by lobbies, and is beginning to facilitate their activities. Thus, in 1988 the EU Commission established a Consultative Council of Regional and Local Authorities, and gave it consultative rights in connection with regional activities. As the Union continues to expand, it is safe to assume that the lobbying activities will likewise expand further.

Some of the basic questions posed by the existence of the EU lobbies are: Can they influence the decisionmaking process, and if so, how? Where are the pressure points for effective lobbying? How do the EU lobbies relate to the framework in which they operate, and how do they relate to each other?

There is little doubt that interest-group influence is a factor in decisionmaking, though to what extent is hard to say. Mazey and Richardson (see note 24) are convinced that the quantitative and qualitative strength of the agricultural lobby wields "enormous influence" in safeguarding the interests of the agricultural sector. But to attribute specific actions to specific lobbies would violate an unspoken rule of discretion that characterizes the relationship between the lobbyists and the EU bureaucrats.

The most influential and best organized by the Euro-pressure groups, beginning in the early 1980s, are said to be COPA (Committee of Professional Agricultural Organizations/COGECA), UNICE (Union of Industries), ETUC (European Trade Union Confederation), COMITEXTIL (textile manufacturers), CEA (insurance), and GCECEE (savings banks).²⁵ Beyond

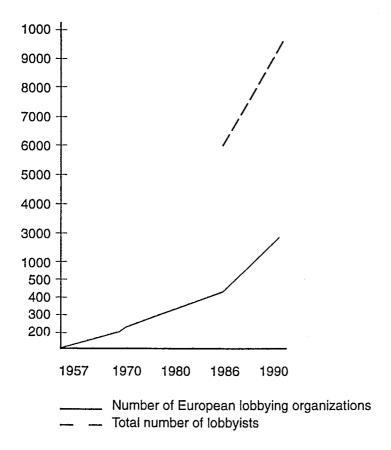


Fig. 2. Lobbying in the community, 1957-1990.

Source: Svein S. Andersen and Kjell A. Eliassen, "European Community Lobbying," European Journal of Political Research 20, 2 (1991), p. 174.

the specific interests of the lobbying organizations, they also play an important, though informal, role as parts of the overall EU intellectual framework. After more than a decade of intensive activity, the lobbies have become very much a part of the EU landscape. As such, they contribute significantly to the political atmosphere that influences the policymakers in

Brussels.²⁶

Interestingly, the lobbying network that by now is firmly anchored in Brussels is largely inward-oriented, and is generally only indirectly involved in issues of foreign policy. It seems that foreign policy issues are still considered to be more in the realm of "high politics"—and therefore the monopoly of relatively few prestigious universities and think tanks. Typical of the latter is a 1992 study by the (British) Federal Trust for Education and Research on "The Middle East and Europe: An Integrated Communities Approach." The 300-page study was commissioned by the EU Commission and represents very much the orientation of the British Middle East establishment. Other think tanks that have recently dealt with the Middle East include the Center for European Policy Studies in Brussels, the Bertelsmann Foundation, and the Research Group on European Affairs at the University of Mainz.

Mazey and Richardson point out that although the bulk of lobbying takes place from within the Community, major trading nations outside the EU are also becoming involved in lobbying activities. East European nations and China still rely primarily on their diplomatic representation, but the United States and Japan have embarked on extensive lobbying. "Especially influential," according to Mazey and Richardson, "is the EC Committee of the American Chamber of Commerce, which represents 80 US organizations, including multi-nationals such as Allied Signal Inc., Colgate Palmolive, General Electric, and General Motors." 27

The ultimate effectiveness of interest-group activities depends on the quality of the lobbyists, timing, organization, and last but not least, a clear understanding of the pressure points within the EU structure, which are most likely to be sensitive to outside influences. As a general rule, it is the working-level areas where proposals are drafted, or where steps preparatory to decisionmaking are taken. Thus, lobbying for or against a particular proposal or policy could begin at the drafting level of the Commission, where extensive consultations are held with sources within and outside the Commission. Some of these sources are in fact Standing Committees, such as the Economic Policy Committee, the Committee for Scientific and Technical Research, and so on. Once the various in-house consultations are concluded, another round

of discussions is held with national experts to ensure that the proposed action is compatible with national statutes or policies. Only after that process is finished do the commissioners put the final touches on an issue. Although the commissioners are expected to act completely impartially, it is no secret that sometimes they are influenced by national or local loyalties.

The next area of decisionmaking that may be subject to interest-group influence is the Council of Ministers and its subordinate institutions. As noted, among the institutions of the Union the Council stands out as the decisionmaking apparatus par excellence. By the time a proposed activity reaches the Council, interest-group actions to sway the Council are probably too late. However, other options remain for lobbyists at this point. They can seek to mobilize national action in member countries to prevail on their Council representative to veto or modify the proposed measure. Or, they can present their case to the Presidency and/or its accompanying Troika. The Presidency is well suited to quiet, informal exchanges at the highest levels. Because of its position, the Presidency is strongly motivated to show successes during its six months of operation, and it has the prestige to help negotiate compromises.

Negotiations between the EU and Israel for a new agreement bear the hallmark of such an effort. Under the leadership of German Foreign Minister Kinkel, president of the Council for the period July-December 1994, negotiations took place at a frantic pace in the hope of reaching complete agreement. In the absence of such an agreement, the pace slackened until the new Council president, French Foreign Minister Juppe, had organized another round of negotiations. Juppe headed a Troika consisting also of the vice-president of the Commission, Manuel Malin, and German and Spanish deputy foreign ministers. High-level talks were held in Jerusalem, and experts from both sides continued to meet in Brussels and in Israel. The way remained open for new lobbying action at several levels and venues.

The broadest channel for interest-group activity is the European Parliament. As the most open of the EU institutions, the Parliament is designed to disseminate information to the public, receive information, discuss legislative proposals, review and approve parts of the budget. In all these

activities, the Parliament is in touch with the public and receives comments from it. Much of the Parliament's work is channeled through some 20 Standing Committees, as well as subcommittees, ad hoc groups, and Question Time sessions with the presidents of the Commission and the Council, which are both written and oral. In addition, some nonmember countries, including Israel, have established interparliamentary groups, as well as Cooperation Councils, designed to foster mutual cooperation and friendship. The parliamentary leadership generally favors such activities.

These activities also provide another entry point for lobbying and educational work, which can broaden the basis of collaboration with nonmember countries such as Israel. Some informed critics maintain that the Parliament's greatest failure is in fact the inadequacy of its outreach to the general population of member, and concerned nonmember, countries.

BUILDING THE JEWISH/ISRAELI LOBBY: THE EUROPEAN JEWISH CENTER OF INFORMATION (CEJI)

As we have seen, the constantly expanding structure and outreach of the European Union has brought with it an expanding array of activities by private lobbies and public interest groups. It should come as no surprise, therefore, that beginning in the 1980s pressures also began to develop in Israel and in European Jewish communities for the establishment of a professional Jewish/Israeli lobby in EU headquarters in Brussels. For some time, the combination of other priorities (such as Russian Jewry) and financial constraints prevented realization of the idea. What probably led in the end to positive action was the recognition by Israeli and European Jewish leaders that something had to be done to repair the bruised relations between the ruling Likud government and the EU, lest this situation cause further damage to Israel's long-term interests with its largest trading partner.

^{*} This section is based on an unpublished paper by Adar Primor, an Israeli graduate student at the College of Bruges, Belgium, in the academic year 1991-92.

Manifestations of the deterioration in EU-Israel relations included the European Parliament's refusal to approve three trade protocols with Israel, and the European Commission's partial suspension of EU-Israel scientific and technical cooperation. On Israel's side, the deterioration was expressed by Prime Minister Shamir's charge of EU "blackmail," designed to "sabotage an economic agreement because of political differences with us." Such was the atmosphere of conflict and confrontation into which the new Jewish/Israeli lobby was born.

The European Jewish Center of Information (CEJI) was formally established in September 1990. However, it took another two years of consultations among European Jewish community leaders and Israeli specialists in European affairs before CEJI became at least partly operational. The Israeli and European Jewish leadership saw the establishment of the new lobby as a means of countering what it perceived as a longstanding "pro-Arab" tilt in EU policy toward the Arab-Israeli conflict. Financial resources were initially small, but have grown somewhat over time. According to a CEJI official, the 1996 budget stood at 10 million Belgian Francs (\$3.3 million). CEJI funds are said to come exclusively from European individual and institutional sources. The European Commission also provides small subsidies to educational and media programs organized by CEJI.

Structure and Ideology

CEJI operates with a small international staff of four. It is headed by its executive vice-president, Ronny Naftaniel, who for many years had directed the Dutch Center for Information and Documentation on Israel.²⁹ The organization is guided by a 59-member council, consisting chiefly of prominent Jewish community leaders from EU countries. Staff supervision is by a board of 25 members; the chairman of the board is Allain Philipson, an investment banker from Brussels. The Annual Report for 1995 indicates institutional CEJI links to some 20 national Jewish organizations. This is a notable achievement for so young an organization; at the same time, it testifies

to the weakness or nonparticipation of other European Jewish groups—notably in Germany, the Scandinavian countries, Spain, and Portugal.

The guiding principles of CEJI combine traditional Jewish and Israeli concerns with specifically EU interests. Whereas many lobbies related to the EU specialize in specific subject matters (e.g., subsidies for agriculture), the Jewish/Israeli lobby has to deal with a comprehensive agenda of subjects—ideological, political, and socioeconomic. In addition, CEJI monitors activities and maintains contacts with at least 10 subsidiary bodies of the EU.

CEJI's action agenda is based on the following themes:

- 1. Support for Israel. The problems and achievements of Israel and its relations with the EU constitute a major focus of the lobby's activities. It could hardly be otherwise, for despite the differences, Israel's proximity to the EU in political culture and socioeconomic orientation defines the essence of Israeli society and its foreign policy. Given these objective circumstances and the centrality of Israel in Jewish life, some of the early supporters of the idea of a Jewish/Israeli lobby, especially among Israelis, wanted to concentrate exclusively on Israel-related issues. Others, however, pointed out that Jewish interests in the EU were not only Israel-related but involved European Jewry as well.
- 2. Fighting antisemitism. To the surprise of many observers of the postwar scene, antisemitism is again an issue in Europe. It makes its appearance in such forms as the denial of the Holocaust; vandalism and violence against Jewish cemeteries, community centers, and synagogues; or political support for xenophobists, extreme nationalists, neo-Nazis, and the like. Although these manifestations have not reached alarming proportions, their very existence—more than 50 years after the end of World War II—is sufficient cause for concern.
- 3. Strengthening Jewish communal life in Europe. Post-World War II Europe contains about 1.2 million Jews, most of whom live in member countries of the EU. Although almost no one would contest their right to practice Judaism according to their traditions, there have been cases where

Jewish religious law—for example, on the slaughtering of animals—gave rise to conflicts with general secular regulations. On the positive side, Jewish education, culture, and community institutions will continue to require resources and support.

In fact, CEJI's activities have focused heavily on support for Israel. As Jacques Graubart, the president of CEJI, stated in an address to the International Association of Jewish Lawyers and Jurists in November 1991: "Whether we approve [Israel's] policies or not . . . whether its diplomacy appeals to us or not . . . our future in the diaspora is inextricably tied up with the survival of Israel." Although this pronouncement went far in establishing the new organization's order of priorities, it did not produce a working consensus on the organization's scope, or a formula for effective coordination between CEJI and other interested parties. These included Israeli information and diplomatic channels and other European Jewish groups (e.g., the European Jewish Congress, the Anti-Defamation League) that shared CEJI's political platform but did not adopt the transnational framework of the EU.

Some of the early advocates of CEJI wanted to model it after the America-Israel Public Affairs Committee (AIPAC), which has earned a reputation for great effectiveness as a pro-Israel lobby in the United States. However, they soon had to realize that both in terms of resources and the scope of operations, the AIPAC model was not viable in Europe. Something much more modest but well coordinated with Israeli and/or Jewish-community institutions, and committed to the ideal of European integration, was required. The absence of appropriate collaboration proved to be a principal weakness of the CEJI lobbying effort.

Alternative Lobbying Frameworks

When CEJI entered the EU political arena, it encountered a "counterlobby," known as the Parliamentary Association for Euro-Arab Cooperation (APCEA). This organization was established in 1974, in the heyday of the Euro-Arab dialogue, and since then has been carrying out a variety of lobbying

activities.³¹ APCEA also collaborates with other voluntary organizations, such as Oxfam, and claims credit for some of Israel's notable political defeats in the EU. These include the Parliament's refusal in 1988 to approve the three previously mentioned trade protocols with Israel until Israel allowed direct exports from the occupied territories to EU member countries, and the European Commission's partial suspension of the joint Science and Technology program with Israel pending the reopening of educational institutions in the territories. Although it may be difficult to prove or disprove APCEA's claims, it stands to reason that APCEA was able to take advantage of Israel's deteriorating public image. Thus it is not unlikely that APCEA's political successes may have been indirectly responsible for the decision to strengthen CEJI and to revitalize the Parliamentary Friendship Society known as Inter-Group Israel.

This group has been headed by Willy de Clercq, an influential Belgian Liberal parliamentarian and chairman of the External Economic Relations Committee of the European Parliament. With help from the Israeli Embassy, the group arranges meetings with visiting Israeli personages, and visits to Israel by EU-related travelers. Israelis and friends of Israel involved in this program believe it is quite successful, but requires more funds to have a significant impact.

The professional lobby, CEJI, has a far broader agenda than Inter-Group Israel. It regards itself primarily as a voluntary service organization that promotes the interests of other Jewish organizations and, indirectly, of Israel in relation to the EU. It is the only Jewish-sponsored political action organization exclusively concerned with the EU.

Dr. Benjamin Gil, the first director general of CEJI, has emphasized the need to project "the lobby" as a multipurpose European institution, which by serving European Jewish particular interests also serves broader European interests. Some Israelis involved with the EU see Israel as potentially a bridge between a largely integrated Europe and a democratic, economically interdependent Mediterranean/Middle East region. Whether this concept is realistic or not, it provides a creative ideological underpinning for CEJI and its supporters. But even its most optimistic advocates regard this concept as a

long-range vision. In the meantime, according to its friends, CEJI needs greater acceptance among Jewish national organizations in EU member countries and among Israeli advocates of closer EU-Israel relations. Working together, the Jewish organizations and CEJI could, it was proposed, form an effective lobbying network, centered in Brussels and assisted by country contacts in the 15 member states of the EU. The single condition was that CEJI and the national Jewish organizations recognize each other's jurisdiction, and divide spheres of action accordingly.

However, this proposal did not find much favor among the national Jewish organizations, which saw in it a potential threat to their turf. Relations with the Israeli Embassy and coordination with it also left much to be desired. Thus, the first few years of CEJI's existence were troubled by a variety of problems. Nevertheless, even at such an early stage of operation CEJI took on a number of important and sensitive subjects, not least among them the human rights controversy and the Arab boycott.

CEJI and the Human Rights Issue

Among the most pervasive issues that CEJI has had to deal with are allegations of human rights violations by Israel. CEJI's strategy generally has not been to deny particular violations outright, but to investigate their accuracy, cite possible distortions or mitigating circumstances, report the effects of the alleged violations in relation to the EU, and counteract proposed decisions damaging to Israel. Although the European Parliament has only limited decisionmaking powers, its frequent condemnations of Israel on human rights grounds have helped generate an atmosphere open to anti-Israel actions. Typically, such anti-Israel actions have also called for some form of punitive measure or further public reprimand.

For example, the Subcommittee on Human Rights of the Parliamentary Committee on Foreign Affairs and Security had called a public hearing on human rights in the occupied territories for December 1991.³² According to CEJI, of the approximately 30 witnesses invited to testify only two were "pro-

Israel," with the rest representing organizations critical of Israel. Under these circumstances, Israel was unlikely to be dealt with fairly. The hearing, moreover, would have overlapped various bilateral and multilateral meetings generated by the Madrid Peace Conference. CEJI concluded that the proposed hearing would be inappropriate, and could interfere with the peace process that was just getting under way. The hearing should therefore be postponed "to a more suitable time," wrote CEJI in a letter to the chairperson of the subcommittee, "and allow the newly emerging political situation to develop." Some "grass roots lobbying" along these same lines further strengthened the arguments against holding the hearing. At the next meeting of the subcommittee a vote was taken on the issue, and the hearing was postponed indefinitely.

Not every issue that has come to CEJI's attention has had a similar outcome. However, the incident shows that even small inputs can be effective, if combined with other small resources and properly coordinated.

Allegations of human rights violations in the occupied territories have become a prominent feature of the Arab-Israeli conflict. Even though great progress has recently been achieved toward resolving the conflict, many of the conditions that have given rise to such allegations (e.g., wholesale closure, land disputes, sealing of homes) still persist. Given the circumstances, CEJI's strategy seems to be largely defensive: the organization keeps a low profile, verifies the facts, and through contacts within the EU and with Israeli circles attempts to head off actions detrimental to Israel. In light of the changes that have taken place, a review of this strategy would be in order.

The question of sanctions. The European Parliament as well as the European Commission and the European Political Cooperation (the political voice of the Council) had been monitoring Israeli actions in the occupied territories for many years. By and large, the EU has been on record as critical of Israeli policies, but unwilling to apply sanctions as was tried unsuccessfully by the Community in 1982 in connection with Israel's military action in Lebanon. This policy began to change early in 1988, when Israeli authorities, in retaliation against the Palestinian intifada, closed educational institutions in the territories. In return, Palestinian or pro-Palestinian lobbies,

such as APCEA, the Geneva-based International Coordinating Committee for NGOs on the Question of Palestine, and the Council for Higher Education in the Occupied Territories, launched an intensive political campaign against Israel.

The campaign reached its climax on January 18, 1990, with the adoption of a lengthy resolution by the European Parliament "on the repression in territories occupied by Israel." The resolution, though not binding on the decisionmaking elements of the Union, reflected fairly accurately the tense relationship between the major EU institutions and Israel. The resolution strongly condemned Israel's policies and especially the closure of educational institutions. It further requested the Commission to impose sanctions on Israel by "freezing immediately budget line 7394 appropriated to scientific cooperation with Israel, in view of the fact that all Palestinian universities [have] remained permanently closed since 1988."

As a result of this resolution, the implementation of 27 new, jointly funded scientific projects was suspended. But according to a letter by then-British Foreign Secretary Douglas Hurd, these sanctions were far from total: "The Commission did not freeze all scientific and technological cooperation with Israel. They froze only the launching of new projects, leaving on-going activities unaffected." Hurd added that existing joint scientific projects would continue to receive funding, at the discretion of the Commission. ³⁶

Despite these "sweeteners," the action had a deeply inhibiting effect on the EU-Israel cooperation program, and contributed to the frigid atmosphere between the governments. However, within a year the atmosphere had improved substantially because of Israel's policy of restraint toward Iraq, as well as the reopening of three universities and 16 other institutions of higher education in the territories.

Taking advantage of these changes in atmosphere, CEJI requested a meeting with Commissioner Abel Matutes, who was then responsible for relations with Mediterranean countries in the Commission. The CEJI delegation, which included delegates from a number of EU member countries, was promptly received by Matutes in September 1990. It expressed the concern of European Jewry over the sanctions, particularly since it was known

that Israel had already opened all schools and colleges in the territories and intended to reopen the remaining three universities.

The various developments must have had some impact on Commissioner Matutes and his colleagues. In January 1991—almost exactly a year after sanctions had been imposed—the budget freeze was lifted, and the Commission announced the renewal of the previously "frozen" portion of science and technology cooperation with Israel.

The resolution of this problem is a good model of successful lobbying. The key decisionmakers were identified; a direct lobbying intervention was prepared and documented; Israel took steps to mitigate criticism of its actions, notably by reopening the schools. Such disputes may, however, leave wounds that will affect not only the specific activity but also the overall relationship between the parties. As Professor Alex Keynan of the Hebrew University, one of the initiators of Israel's scientific cooperation program, wrote in this connection: "Israeli scientists would like to be judged according to their scientific merits. The introduction of political considerations into questions of scientific cooperation lends the EU an image as a very unreliable partner ... and as meddling in academic freedom, which is a cornerstone of democracy." 37

CEJI and the Arab Boycott

Unlike the single-issue, direct lobbying approach just described, CEJI has also attempted to deal with the much more complex issue of the Arab boycott. CEJI's initial analysis was that the boycott, and especially its far-flung character, was (a) economically and politically damaging to Israel, and (b) a violation of EU law and policy. As a first concrete action, CEJI, working together with a newly established EU-Israel Chamber of Commerce, organized a seminar on "Restrictions to Freedom of Trade by European States, as Typified by the Arab Boycott."

Among the participants in the seminar, which was held in Brussels in March 1991, were European jurists, European Commission officials, members

of the European Parliament, Israeli government officials, and representatives of various European-Israeli Chambers of Commerce. The participants were informed about the different degrees of the boycott (primary, secondary, tertiary), as well as its legal and policy aspects. It was pointed out that boycotts that discriminate on grounds of race and religion are incompatible with Article 85 of the Rome Treaty, which prohibits practices whose object is the "prevention, restriction or distortion of competition within the Common Market." CEJI's strategy was to promote Union-wide legislation that would give EU business people sufficient assurance against the damage caused by the boycott. At the same time, political pressure from many sources would be mobilized to pave the way to new legislation, and prevail on Arab governments and institutions to abandon the boycott as incompatible with the peace process.

Notwithstanding the various interventions demanding EU action on the boycott issue, the EU machinery moved very deliberately. At a meeting in Israel of the EU-Israel Cooperation Council in May 1991, the European representatives were very receptive to Israel's position on the boycott. They reportedly promised to pursue harmonization of appropriate EU legislation, and political or diplomatic pressure through diplomatic channels and European Political Cooperation. The demand for national antiboycott legislation, initially advocated by the Cooperation Council, seemed to represent some real change, as did the later position calling for harmonized Union-wide legislation, which CEJI favored.

Soon after the above-mentioned seminar on the Arab boycott, a resolution was tabled in the European Parliament calling for action by the Commission to combat unacceptable aspects of the boycott. The motion was referred to the Parliament Committee for External Economic Relations (REX), but without imposing a deadline for presentation. CEJI used the opportunity to lobby members of the REX Committee, asking them to vote in favor of effective antiboycott action. At the same time, CEJI called the Commission's attention to the likelihood that the secondary and tertiary boycotts contravened EU Competition Law and Single Market Regulations.

In any event, sometime before the end of 1991 the Commission (and perhaps other members of the EU establishment) took the decision to downplay the boycott issue. It accomplished this by linking the boycott to other disputed issues in the peace process, such as the Jewish settlements in the territories. Thus, the Maastricht Declaration on the Peace Process in the Middle East (December 1991) noted that a halt in Israel's settlement policy together with renunciation of the Arab trade boycott would enhance the process. A similarly bland reference to the boycott was included in the EU's opening statement at the Madrid Peace Conference and earlier in the Lisbon European Council declaration of June 1992.

One reason for downgrading the boycott issue may have been revealed in a reputed statement by Eberhard Rhein, longtime director of the Mediterranean Office in the Commission, that he did not think the boycott really harmed trade between the EU and Israel.³⁸ Likewise, the rapporteur for the then-stillunfinished REX (Parliament) Committee report on the boycott, Jan Sonnenveld, stated in an interview that "the European decision makers do not perceive the issue as urgent at all." Sonnenveld was no doubt reflecting the findings of an investigation by the Commission, following initiatives of the World Jewish Congress, that "Community trade did not appear to have been substantially affected by the boycott, [and] no action was therefore taken."40 In an earlier response to a Parliamentary Question regarding the boycott, the Commission stated that "it is aware of the importance of the problem ... [that] it has on several occasions stressed in the House its disapproval of all illegal discrimination in international trade [and that it] is currently drawing up a working document on the question, which it intends to present to the Council after July 1991."

As of summer 1993, no such document appeared to have been published. In June 1992, CEJI disseminated a detailed paper on the "Arab Boycott and Its Impact on the European Community." The paper analyzes the history and current practices of the Arab boycott, and particularly its illegal effects on trade and EU competition rules. It draws attention especially to the European Parliament Resolution of 11.10.1982, which condemns all sanctions based on

race or religion and calls upon the Council and the Commission to take all necessary measures in that respect.

Possibly as a result of CEJI's diligent efforts, the REX Committee report, issued in December 1992, accepted much of the analysis in the CEJI submission. Its principal recommendation was that the Council of Ministers "devise a common policy of economic sanctions" against the boycott. The report also recommended strict nondiscrimination provisions in new trade agreements with the Gulf states. A

At this point a reshuffle of responsibilities occurred in the leadership of the Parliament. Baron Crespo, the chairman of the Committee on Foreign Affairs and Security, asserted jurisdiction over the boycott issue on the ground that it was primarily a political rather than an economic one. His views were accepted, and he promptly appointed a new rapporteur, Wilhelm Ernst Piecyk, and ordered a study of the political aspects of the boycott. The new report, presented in June 1993, stressed the political background of the boycott issue and cited the above-mentioned conclusion by the Commission that Community trading had not been significantly affected by the boycott.

"The Arab boycott is an anachronism," concluded the report; "[it] requires a political solution . . . linked to the peace process currently under way." Thus after two years of intensive lobbying of the Parliament and the Commission by CEJI, the Community's decision was to: (a) treat the boycott as a political issue, to be resolved when the larger dispute was settled; (b) refrain from legal or legislative action against the boycott; and (c) limit EU action to verbal declarations.

THE NEW EU-ISRAEL ASSOCIATION AGREEMENT

Israel's ties with the European Union go back to the Treaty of Rome of 1957, which became the basis for the European Community. Israel is, indeed, the only country outside of Europe that has established a free trade area with the EU, based on full reciprocity. Beginning in 1975, Israel's economic and scientific relations with the EU were governed by a Free Trade and

Cooperation Agreement, augmented by adaptation protocols in 1977, 1981, and 1986.⁴⁴ Despite some remedies in the supplementary protocols, designed to reduce the imbalance in Israel's trading position, the imbalance has actually grown further over the years. In 1994 Israel was running a trade deficit of \$7.8 billion with the EU.

Beginning with the Ninth Annual Meeting of the EU-Israel Cooperation Council (May 1991), Israel had been lobbying for the negotiation of a new agreement with the EU, more in line with current Israeli needs and conditions. Although the substance of the new agreement was largely nonpolitical, the question of whether and when to conclude a new agreement with Israel, and how far to accede to Israeli wishes for "preferred" treatment, soon became politicized. During the late 1970s and 1980s EU-Israel relations had been tense, primarily because of Israel's determination to build more settlements in the West Bank and Gaza and its refusal to accept the Venice Declaration and recognize the PLO and the Palestinians' right to self-determination.

Nevertheless, Israeli diplomats and economic experts came to understand that before the agreement was finalized, Israel would have to pay a political price. The EU policymakers, for their part, learned that successful negotiations with Israel depended on satisfying at least some of Israel's perceived needs and policy goals. Despite the unresolved issues, both parties saw the need for improved political and economic relations, and the situation was ripe for a compromise. Thus, Israel gave up its opposition to the EU's full participation in the upcoming Madrid Peace Conference, and the EU was prepared to negotiate a new agreement with Israel.⁴⁵ In retrospect, the Likud government's attempts to obstruct the EU's full participation in the Madrid conference proved counterproductive, and caused much resentment in senior EU circles.

This is not the place to analyze the operations of the peace process. Suffice it to say that once the basic political framework of the peace process had been agreed upon, Israel was ready to present its proposals for the new agreement. Changes were tabled on many technical aspects, including new rules of origin, market access for agricultural products, textile trade, and recognition of standards. The old agreement had been limited to trade relations and

commercial cooperation; the new agreement sought by Israel had a considerably broader scope, encompassing also industrial cooperation, extensive scientific and technical cooperation, energy and environmental projects, information and communication technologies, as well as cultural, youth, and sports activities.

CEJI was just beginning to function, and was not yet in a position to give substantial lobbying support to the discussions between Israel and EU officials on the new agreement. CEJI's major written contribution was a report on "Israel and the European Economic Communities." This is a factual study of economic, commercial, and financial relations between Israel and the EU, and includes brief summaries of EU political positions on the Arab boycott, technical and scientific cooperation, and EU support for post-Madrid negotiations. The Madrid Peace Conference had left in its wake a new institutional infrastructure of Working Groups, each of which was authorized to negotiate a particular subject area. In recognition of the EU's importance to this process, the EU was chosen to preside over the Multilateral Working Group on regional economic development (REDWIG).

The Israeli Mission to the European Communities, for its part, released an Information Note in November 1992 that detailed the background and rationale for the new agreement from Israel's standpoint. Together the two papers provided useful supporting material for the upcoming bilateral negotiations. However, it also appears that during the 1991-1993 period of preliminary discussions, CEJI lobbying for the new agreement was limited.

Meanwhile, the EU leadership had reached the political decision to negotiate the new bilateral agreement with Israel. The *Official Journal of the European Communities* reported: "In view of the relaxation of the position adopted by Israel in the Middle East peace process, the Foreign Affairs Ministers [i.e., the Council] decided on an adaptation of the 1975 Agreement with Israel at an informal session held at Brocket Hall in September." In a joint press conference of Foreign Minister Peres and EU Commission President Jacques Delors, held on October 2, 1992, the two officials announced their agreement to renegotiate the bilateral accord of 1975. They also pledged mutual support for the Madrid peace process, and noted the

importance of regional cooperation. "It is the duty of the Community, both politically and in terms of friendship, to take these new realities into account," concluded President Delors. These sentiments were quickly echoed by the incoming head of the EU Delegation to Israel, Albert Maes, and by Eberhard Rhein, who added a personal note when he remarked, during an official visit to Israel, that EU-Israel relations had again become "close, warm and cordial, as in the golden 60s and 70s" (emphasis added). 49

As we noted, the process leading to decisionmaking in the EU is slow and complex. In the case under consideration, however, the dramatic decisions by Israel and the PLO to seek a peaceful settlement propelled the EU leadership into accelerated action. The outcomes were (a) the EU Council's decision to reward Israel's greater flexibility in the peace process by moving ahead on the new bilateral agreement with Israel; and (b) the European Commission's readiness to activate the Multilateral Working Group on Regional Development and Economic Cooperation—one of the key elements in the post-Madrid peace process.

The two decisions represented a considerable success for EU diplomacy, which for a long time had sought a prominent role in the peace process. For Israel it was a mixed success at best; for while the EU's readiness to negotiate the new bilateral agreement was a positive step, the EU's continued endorsement of the Venice Declaration left a wide policy gap between the two parties.⁵⁰

At this point, CEJI saw an opportunity to build up grass roots support among CEJI's constituency and to expose senior EU officials to Jewish and Israeli thinking on the upcoming bilateral and multilateral discussions. Accordingly, in February 1992 the secretary general of the European Commission, David Williamson, jointly with CEJI, conducted a seminar for 28 prominent European Jewish businessmen. On the Community's side, some EU commissioners and senior EU officials participated as well. Much useful information was exchanged, but according to the *Jewish Chronicle*, ⁵¹ EU officials also openly linked the establishment of closer diplomatic and trading ties to a shift in Israel's policies on resolving the Arab-Israel conflict. In retrospect it now seems clear that although new policies toward the Arab-

Israeli conflict were being secretly negotiated, neither the EU nor the Israeli government was yet ready to alter its public positions on the Venice Declaration.

RENEWED MEDITERRANEAN POLICY

Historical Background

Over the centuries, geography and history have combined to bring together, or sometimes divide, the peoples of the Mediterranean Basin. Interdependence has fostered intense common interests, and sometimes conflicts, that have prevailed in the area since the times of the Phoenicians, Greeks, and Romans. In more recent times, colonial regimes ruled over the region in furtherance of their political or economic goals. The postcolonial period led to the recognition of the area's regional character. In 1972 the Community accepted the notion of a Global Mediterranean Policy, and sought to embody it by supporting projects for technical assistance and development. The Community adhered to the notion of regionalism, but also permitted bilateral rather than areawide cooperation treaties.⁵²

By 1980 the regional idea had gained further prominence, and the EU concluded identical treaties with most of the countries of the Maghreb and the Mashreq. At the same time, at the political level the disagreements between the United States and its European allies over the Arab-Israeli conflict continued. The outcome was the Venice Declaration. As far as the EU's general policy in the Middle East region was concerned, it was time to strengthen and extend a Mediterranean regional approach..

In the aftermath of the Gulf War of 1991, two parallel policy tracks toward the Mediterranean countries began to take shape within the EU. The first called for supplanting the relatively small Global Mediterranean Policy with a much more extensive and ambitious Renewed Mediterranean Policy. The second concentrated on gaining a leading role in the Arab-Israeli peace process. Both tracks are moving ahead, thanks to the dramatic progress in the

peace process, including EU financial commitments to the Palestinian economy, and across-the-board deepening of the relations between the countries of the region.

Implementing the Renewed Program

Beginning in 1990, the Commission reviewed its standing policies and programs for the Mediterranean region and concluded that a broader and deeper relationship with the Non-Member Mediterranean Countries (MNCs) was needed for the 1990s. Discussions in the Council and at the Strasbourg European Council of December 1989 had led to the formulation of the new Community strategy. Against this background, the Commission prepared a new version of the Renewed Program. This draft was transmitted to the Council and the European Parliament in October 1994, and formed the basis for the Euro-Mediterranean Conference in Barcelona, which took place in November 1995. The Conference was attended by the 15 EU members, the 11 MNCs, as well as observers and guests.

This conference adopted the Barcelona Declaration, encompassing the following elements:

- (a) Political and Security Partnership—Establishing a common area of peace and stability; strengthen political dialogue, rule of law, democracy, human rights, fundamental freedoms, territorial integrity, good-neighborly relations.
- (b) Economic and Financial Partnership—creating an area of Shared Prosperity, through accelerated socio-economic development, improved living standards, employment, reduction of prosperity gap, regional cooperation and integration, progressive establishment of a Free Trade Area by the year 2010, increased EU financial assistance to MNC's 685 billion ECU for 1995-1999 plus European Investment Bank loans and bilateral assistance.

(c) Partnership in Social and Human Affairs—Contacts between Civil Societies; war against drug trafficking, international crime and corruption, racism, xenophobia, intolerance.⁵⁴

The conference also adopted a Work Program and established a permanent, senior-level Euro-Mediterranean Committee for the Barcelona Process. The conference also agreed to hold the next meeting of the foreign ministers in the first part of 1997. For Israel, the intensified attention to the Mediterranean area is likely to bring long-term political and economic benefits. Coming along with progress in the peace process, the newly launched Mediterranean initiative is in tune with the thinking of some Israeli and Arab leaders. The more visionary among them are known to believe that the ultimate future of the Middle East lies in a community of nations, with a common market and elected centralized bodies, modeled after the EU. But until this vision comes closer to realization, the current perception of EU and Israeli decisionmakers can be summarized as "membership no—partnership yes."

TOWARD THE EURO-MEDITERRANEAN PARTNERSHIP

The Barcelona Declaration had been preceded by extensive staff work of the European Commission, aimed at laying the groundwork for the new policy of Euro-Mediterranean Partnership. Among other things, the Commission's program called for economic reforms, greater attention to regional development, backing for the private sector, priority attention to the environment, and wider access for certain agricultural products. Financing for the period 1995-1999 was proposed at 5.5 billion ECUs, greatly surpassing earlier program levels for the area. In addition, the program envisions parallel amounts of loans from the European Investment Bank. The goals enunciated by the Commission envisage a vast free trade area by the year 2010, encompassing a population of 600-800 million people living in 30-40 countries. 55

The implications of these forecasts for the future of the region are enormous. However, of more immediate importance to the EU-Israel negotiations was a decision by the Council of Ministers, just before the 1994 Essen Summit, authorizing the Commission to negotiate a new scientific and technical cooperation agreement with Israel. The rationale and strategic thrust behind the new accord were enunciated in a special statement adopted at the conclusion of the Essen meeting:⁵⁶

The European Council considers that Israel, on account of its high level of economic development, should enjoy special status in its relations with the European Union on the basis of reciprocity and common interests. In the process regional economic development in the Middle East including the Palestinian areas, will also be boosted. ⁵⁷

It still remains to be seen what the "special status" conferred on Israel will mean in practice. One thing, however, seems clear: the EU's determination, at the highest levels, to take part in both the economic and political aspects of the Middle East peace process. In the words of the Essen Declaration: "As the largest international donor, the European Union should continue to make a significant *economic and political contribution* in support of the Middle East peace process, in particular in the reconstruction of the Palestinian areas" (emphasis added). Sa Israeli strategists and European Jewish supporters will have to take these statements and their implications into account, as they prepare for future interaction with the EU.

Encounter With Eastern Europe

Observers of the Brussels scene should also be aware of the possible competition for aid funding between the Mediterranean and East European regions. According to Manuel Marin, vice-president of the Commission with responsibility for the Mediterranean area, the time has come to restore the balance between aid to Eastern Europe and aid to the Mediterranean area.

The new policy, as proposed by the Commission, called for 5.5 billion ECUs for the 1995-1999 period, which would help equalize per capita allotments between the two regions.⁵⁹

Thus, the managers of the Renewed Mediterranean Policy may profit from the experience of the East European programs. To carry out the policy commitments there, the EU created two large technical assistance programs—PHARE, which serves Eastern Europe, and TACIS, which assists in the transformation of the former Soviet Union. In addition, the EU-funded European Investment Bank has made loans available in the hundreds of millions of ECUs to Eastern Europe and the former Soviet Union.

The decisionmakers in the EU may have different visions for the countries of the Mediterranean and those of Central and Eastern Europe. The latter have signed, or can be expected to sign, Association Agreements whose ultimate goal is the integration of these countries into an enlarged EU. The Mediterranean Non-Member Countries are also expected to conclude Association Agreements, but with a strategic goal that excludes eventual full membership in the Union. Some MNCs such as Turkey are likely to resent this EU policy; others, such as Israel, have no present ambitions in this direction but probably would not want to foreclose such a possibility indefinitely.

Postscript on EU-Israel and EU-Palestinian Relations

The EU leaders, as shown in the 1994 Essen Declaration and on many other occasions, have been very supportive of the peace process, and especially the EU-Israel and EU-Palestinian aspects. At the Donors' Conference in Paris in December 1993, \$2.3 billion were pledged for the five-year transition period ending in 1998. On this occasion the Community pledged 500 million ECUs for the five-year period from budgetary resources, plus several hundred million ECUs through the European Investment Bank. In 1995 the EU was the largest contributor to the newly formed Palestinian Authority, and helped meet various financial emergencies, such as an immediate cash transfer, early in 1995, of 50 million ECUs to the Palestinian Authority. In return, the EU

decisionmakers expected to gain political weight in the area, and in particular to improve the atmosphere in EU-Israel relations. By strategic necessity, it also became Israel's destiny to plead for international support for the PLO regime in the areas under the control of the Palestinian Authority.

It would be difficult to understand the evolution of EU-Israel and EU-Palestinian relations without recalling one last time the Venice Declaration of June 1980, which for more than a decade was the basic EU policy statement on the Arab-Israeli conflict. The Declaration affirmed support for UN resolutions 242 and 338 (land for peace), and held Israeli settlements in the occupied territories to be "illegal." It went on to recognize the "legitimate rights of the Palestinian people . . . to self-determination," and called for PLO participation in peace negotiations. 62

Observers of the Brussels scene have differed in their evaluations of the Venice Declaration, some holding that it amounted to nothing but ineffectual words, whereas others saw it as a way of asserting EU leadership and strategic interests as distinct from U.S. positions. In this context, the Declaration became a symbol of another missed opportunity for resolving the Arab-Israeli conflict. The failure of the Likud government to explore the chances for a genuine peace dialogue emanating from the Declaration could only be seen as a tragic mistake. It effectively froze opportunities for the EU to play a creative role in revived peace negotiations, and resulted in a persistent negative public image of the EU in Israel.

The sea change in the history of the Middle East brought about by the 1993-1995 agreements between Israel and the PLO and the Israel-Jordan peace treaty of 1994 is bound to have a major positive impact on EU-Israel relations. Nevertheless, some influential EU decisionmakers (especially French) continue to resent what they regard as the Union's "secondary" role in the Middle East peace process, while Russia—by historical accident—appears as the cosponsor of the process. Thus then-French Foreign Minister Juppe, heading the EU Troika on a visit to the Middle East in February 1995, declared that the EU would not be "content with the role of brilliant second fiddle, simply engaged in economic assistance." He may have had a point, for the progress already made in the peace process shows that in the final

analysis only the combined use of economic strength and political will can bring peace to this troubled region.

CONCLUSIONS

The long-term purposes of this study were threefold: to describe and evaluate the institutional infrastructure of the European Union in its relations with Israel; to provide some insight into the decisionmaking process that governs the policies and strategies of the EU; and to assess the role of the nongovernmental sector in the EU-Israel and EU-Jewish interactions. Alongside these objectives, the research focus has been on the negotiating methods and strategies used in the evolving relationship between the EU and the state of Israel, and to a lesser extent between the EU and European Jewish organizations.

In this connection it became important to understand the role of public opinion in the activities of the EU and its partners. Hence, we have focused on the growing role of lobbies in the EU political process. For example, the pro-Arab APCEA has been in existence more than 20 years, and has demonstrated its ability to present the Arab point of view to the EU establishment and the broader European public.

What is quite clear is that the EU is heading for greater transparency and openness in its operations, although this trend will continue to be opposed by powerful decisionmakers. Given the circumstances and expected trends, a stronger, better-coordinated Israel-EU and Jewish-EU lobbying effort is needed.

Another important finding of this study pertains to the negotiating process itself. We have seen that in one way or another, all the major institutions of the EU are involved in the decisionmaking process. Therefore, the proper identification of pressure points and of strategically placed positions in the bureaucracy can be helpful in anticipating policy outcomes.

The establishment of the European Jewish Information Center (CEJI)—the only Jewish lobby exclusively devoted to EU affairs—was an appropriate

response to the changing situation within the EU. However, CEJI's achievements have been limited. Although increased funding would certainly help, the reasons are not only financial; they mainly involve CEJI's problems of acceptance by the major European Jewish organizations, and by the official and nonofficial Israeli establishment.

Much effort has been expended by CEJI and the Israeli diplomatic establishment on contacts with the European Parliament, even though it is common knowledge that the Parliament's decisionmaking powers are quite limited. The Parliament, however, functions as the major *indirect* channel to the decisionmakers, and thus has rightly been targeted by the CEJI leadership. Furthermore, it is important to realize that the interaction between Israel and the EU takes place on many levels. But the newly negotiated treaty between Israel and the EU will only be successful to the extent that it also generates new linkages in conformance with the EU's new commitment to the Renewed Mediterranean Policy, and with Israel's endeavor to play a significant role in the region.

The central element in EU decisionmaking is the readiness to negotiate and to compromise, whether within the Community or in relations with nonmember countries. The EU's negotiating process, especially in the realm of foreign relations, tends to be slow, laborious, and politically sensitive. Not only must the demands of the principal negotiating parties be reconciled, but within each member's delegation conflicting views may further complicate the process.

The issues often go back to "bread and butter" conflicts over market access and future potential difficulties or benefits. Moreover, in the case of the EU-Israel negotiations, what had begun as a routine exercise ended up in a much wider forum, in which political and economic interests of the EU and of individual member countries, as well as conflicting interests within the Israeli establishment, demanded to be heard. It is known, for example, that the Israeli ministers of agriculture and of industry and trade differed sharply with the Ministry of Foreign Affairs. The functional ministries, reacting to powerful internal Israeli lobbies, demanded improved additional outlets for Israeli agriculture and industry. Israeli negotiators also placed particular emphasis on

cooperation in scientific research and development, which the scientific establishment in Israel views as potentially very important. In response to persistent negotiation, Israel was admitted to the European Research and Development Fourth Framework Program—a high-level, prestigious body for scientific cooperation.

As noted earlier, the Community's negotiating strategy with respect to the new treaty with Israel was an amalgam of political and economic elements. Some linkage of these elements to the Middle East peace process seemed both logical and potentially promising. But it also required a spirit of cooperation and compromise that has not always characterized the EU-Israel relationship. ⁶⁴

Israelis are particularly sensitive to the application of linkage and conditionality to the negotiating process. However, they also recognize the broader goal of strengthening the EU's Mediterranean presence, in line with the foreign and security policy objectives of the Maastricht Treaty.

What conclusions can be drawn from our analysis of the EU-Israel relationship? It is clear that although trade relations prospered, overall relations suffered considerably from the protracted friction. What is also true, however, is that with the broad acceptance of the Madrid peace process and the EU's vital role in its realization, much of that friction dissipated.

It now also appears that the new, regional institutional creation, the Euro/Med Partnership, will materialize. Its primary goal will be to achieve stability in the region through a combination of the Renewed Mediterranean Policy and the post-Madrid peace process. The two thrusts can be complementary and mutually supportive, if the policymakers and strategists allow it. Israel can occupy a unique place in this framework, based on its exceptional human resources and democratic qualities.

Now that the Gordian knot has been cut, and Israelis and Arabs are learning to work together, the vision of the Mediterranean Partnership, eloquently endorsed by former Israeli Prime Minister Shimon Peres, can become a reality. In such a situation Israel can make its contribution to the new Europe, provided the European Union offers positive leadership and an open door.

APPENDIX

Declaration of the European Council on the Middle East

Venice, 12-13 June 1980

- 1. The Heads of State and Government and the Ministers of Foreign Affairs held a comprehensive exchange of views on all aspects of the present situation in the Middle East, including the state of negotiations resulting from the agreements signed between Egypt and Israel in March 1979. They agreed that growing tensions affecting this region constitute a serious danger and render a comprehensive solution to the Israeli-Arab conflict more necessary and pressing than ever.
- 2. The nine Member States of the European Community consider that the traditional ties and common interests which link Europe to the Middle East oblige them to play a special role and now require them to work in a more concrete way towards peace.
- 3. In this regard, the nine countries of the Community base themselves on Security Council Resolutions 242 and 338 and the positions which they have expressed on several occasions, notably in their Declarations of 29 June 1977, 19 September 1978, 26 March and 18 June 1979, as well as in the speech made on their behalf on 25 September 1979 by the Irish Minister of Foreign Affairs at the 34th United Nations General Assembly.
- 4. On the bases just set out, the time has come to promote the recognition and implementation of the two principles universally accepted by the international community: the right to existence and to security of all the States in the region, including Israel, and justice for all the peoples, which implies the recognition of the legitimate rights of the Palestinian people.
- 5. All of the countries in the area are entitled to live in peace within secure, recognized and guaranteed borders. The necessary guarantees for a peace settlement should be provided by the UN by a decision of the Security Council and, if necessary, on the basis of other mutually agreed procedures. The Nine declare that they are prepared to participate within the framework of a comprehensive settlement in a system of concrete and binding international guarantees, including (guarantees) on the ground.
- 6. A just solution must finally be found to the Palestinian problem, which is not simply one of refugees. The Palestinian people, which is conscious of existing as such, must be placed in a position, by an appropriate process defined within the framework of the comprehensive peace settlement, to exercise fully its right to self-determination.
- 7. The achievement of these objectives requires the involvement and support of all the parties concerned in the peace settlement which the Nine are endeavouring to promote in keeping with the principles formulated in the declaration referred to above. These principles apply to

all the parties concerned, and thus the Palestinian people, and to the PLO, which will have to be associated with the negotiations.

- 8. The Nine recognize the special importance of the role played by the question of Jerusalem for all the parties concerned. The Nine stress that they will not accept any unilateral initiative designed to change the status of Jerusalem and that any agreement on the city's status should guarantee freedom of access for everyone to the Holy Places.
- 9. The Nine stress the need for Israel to put an end to the territorial occupation which it has maintained since the conflict of 1967, as it has done for part of Sinai. They are deeply convinced that the Israeli settlements constitute a serious obstacle to the peace process in the Middle East. The Nine consider that these settlements, as well as modifications in population and property in the occupied Arab territories, are illegal under international law.
- 10. Concerned as they are to put an end to violence, the Nine consider that only the renunciation of force or the threatened use of force by all the parties can create a climate of confidence in the area, and constitute a basic element for a comprehensive settlement of the conflict in the Middle East.
- 11. The Nine have decided to make the necessary contacts with all the parties concerned. The objective of these contacts would be to ascertain the position of the various parties with respect to the principles set out in this declaration and in the light of the results of this consultation process to determine the form which such an initiative on their part could take.

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