

**MEDITERRANEAN CROSSROADS:
CULTURE, RELIGION AND SECURITY**

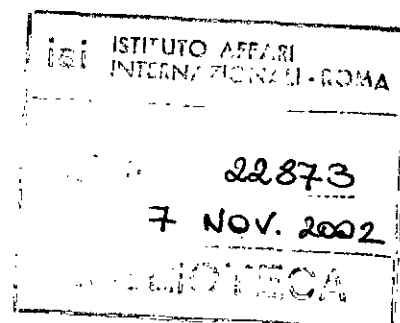
Hellenic Foundation for European and Foreign Policy (ELIAMEP)

Centre for European Policy Studies (CEPS)

Euro-Mediterranean Study Commission (EuroMeSCo)

Halki, 8-12/IX/2002

- a. Programme
- b. List of participants + Contact details
1. "The new walls and fences : consequences for Israel and Palestine"/ Gershon Baskin (25 p.)
2. "The Arab minority in Israel : implications for the Middle East conflict"/ Shira Kamm (31 p.)
3. "Palestinian refugees : how can a durable solution be achieved?"/ Tanja Salem (70 p.)
4. "The future of the Arab-Israeli peace process and the Barcelona process"/ Joel Peters (14 p.)
5. "The future of the Barcelona process"/ Joel Peters (5 p.)
6. "A discussion of Israel's policy options regarding its future institutionalized relations with the European Union"/ Alfred Tovias (14 p.)
7. "A cooperative structure for Israel-Palestine relations : the contours of a post-conflict peace order"/ Bjorn Moller (40 p.)
8. "Enhancing Barcelona: economic policy scenarios"/ Paul Brenton (18 p.)
9. "The European Union and democracy in the Arab-Muslim world"/ Richard Youngs (21 p.)
10. "Secularisation and inter-religious dialogue as a means for democratisation and regional integration in the Southern Mediterranean"/ Theodoros Koutroubas (14 p.)
11. "Islam in the post-communist Balkans: understanding a decade of changes"/ Xavier Bougarel (27 p.)
12. "The interreligious and intercivilizational interaction in the global era: the case of Turkey-EU relations"/ Ahmet Davutoglu (14 p.)



Halki International Seminars

FORGING REGIONAL COOPERATION

2002

SESSION 02.2

Mediterranean Crossroads: Culture, Religion and Security

A seminar organised by:

*the Hellenic Foundation for European and Foreign Policy (ELIAMEP)
in cooperation with the Centre for European Policy Studies (CEPS)
and the Euro-Mediterranean Study Commission (EuroMeSCo)*

**Halki – Greece
September 8 – 12, 2002**

Programme

With special thanks to the:

Centre for European Policy Studies - CEPS, Brussels
Dodecanese Prefecture, Rhodes
Euro Mediterranean Study Commission - EuroMeSCo
European Parliament, Strasbourg
Friedrich Ebert Stiftung, Athens
Hellenic National Tourism Organisation, Rhodes
Kokkalis Foundation, Athens
Ministry of Culture, Athens
Ministry of Foreign Affairs, Athens
Ministry of the Aegean

This year, the "Mediterranean" session of the Halki Seminars is organized on a different basis. There will be three separate working groups dealing with:

(i) **ESDP: Impact on the EMP**

(ii) **CEPS Middle East and Euro-Med Project**

(iii) **Muslim-Christian Relations in the 21st Century Europe**

with only a joint presentation of conclusions and recommendations and a round table discussion at the final session of the Seminar.

Working Group I:

European Security and Defence Policy: Impact on the Euro-Mediterranean Policy
In cooperation with the Euro-Mediterranean Study Commission (EuroMeSCo)

Coordinator:

Dr. Alvaro VASCONCELOS, *Instituto de Estudos Estrategicos e Internacionais (IEEI), Lisbon*

SUNDAY 8 SEPTEMBER

- 18:00-18:30 **Introduction - Welcoming remarks**
Dr. Alvaro VASCONCELOS, *Instituto de Estudos Estrategicos e Internacionais (IEEI), Lisbon*
Dr. Thanos DOKOS, *Director of Studies, Hellenic Foundation for European and Foreign Policy (ELIAMEP)*
- 18:30-20:00 **Southern Mediterranean countries security culture and the debate on security culture after 11 September**
Mr. Abdallah SAAF, *Director, Centre d' Etudes et de Recherches en Sciences Sociales (CERSS), Rabat*
Maghrib: Mr. Luis MARTINEZ, *Centre d' Etudes des Relations Internationales (CERI), Paris*
Mashrik: Dr. May CHARTOUNI-DUBARRY, *Research Director, Institut Francais des Relations Internationales (IFRI), Paris*
- 21:30 Welcoming dinner at the Maria tavern at the Halki port

MONDAY 9 SEPTEMBER

- 09:00-11:00 **Co-operation between EU-South Mediterranean countries, with or without the USA?**
Dr. Jean-François DAGUZAN, *Fondation pour la Recherche Stratégique, Paris*
Amb. El-Sayed Amin SHALABY, *Director, Egyptian Council for Foreign Affairs, Cairo*
Ms. Emily LANDAU, *Director of Arms Control and Regional Security, Jaffee Center for Strategic Studies, Tel Aviv University*
- 11.00-11.30 *Break*

- 11:30-13:00 **EU's internal and external security and the Mediterranean**
 Dr. Nuno Severiano **TEIXEIRA**, *Universidade Nova, Lisbon*
 Dr. Fouad **AMMOR**, *Groupeement d' Etudes et des Recherches sur la Mediterranee (GERM), Rabat*
- 16:30-18:00 **The experience of co-operation in the field of security and defence in the Mediterranean (bilateral and multilateral dimensions)**
Maghrib: Ms. Maria do Rosário **DE MORAES VAZ**, *Instituto de Estudos Estrategicos e Internacionais (IEEI), Lisbon*
Mashrik: Mr. Muhammad **MUSTAFA**, *Amman Center for Peace and Development (ACPD), Amman*
Turkey: Dr. Suhnaz **YILMAZ**, *Assistant Professor of International Relations, Koc University, Istanbul*
- 18:00-19:30 **Asymmetries between the Northern and Southern shores of the Mediterranean and the role of civil society and parliamentary institutions**
 Dr. Ahmed **DRISS**, *Association des Etudes Internationales (AEI), Tunis*
 Comments: Dr. Dimitris **XENAKIS**, *Research Fellow, Hellenic Foundation for European and Foreign Policy (ELIAMEP), Athens*
- 19:30-20:30 **Conclusions**
 Mr Alexandre **ZAFIRIOU**, *Principal Administrator, General Secretariat of the European Council, Brussels*
 Dr. Alvaro **VASCONCELOS**, *Instituto de Estudos Estrategicos e Internacionais (IEEI), Lisbon*

Working Group II:
CEPS Middle East and Euro-Med Project

Coordinator:

Mr. Michael **EMERSON**, *Senior Research Fellow, Centre for European Policy Studies, Brussels*

SUNDAY 8 SEPTEMBER

21:30 Welcoming dinner at the Maria tavern at the Halki port

MONDAY 9 SEPTEMBER

9:00-11:00 **Strategies (explicit or implicit, of governments or alternatives) of the regional and international actors in the Middle East conflict**

Chair: Mr. Michael **EMERSON**, *Senior Research Fellow, CEPS, Brussels*

Panel: **View from Israel:** Dr. Daniel **LEVY**, *Economic cooperation Foundation, Tel Aviv*
 View from Palestine: Dr. Riad **MALKI**, *Director General, Panorama Center, Ramallah*
 View from US: Dr. Geoffrey **KEMP**, *Nixon Center, Washington DC*
 View from EU: Ms. Luisa **MORGANTINI**, *M.E.P., Strasbourg/Brussels*

View from the Arab world: Dr. Waheed Abdel MEGUID, *Deputy Director, Al-Ahram Centre, Cairo*
Overview: Ms. Nathalie TOCCI, *Research Fellow, CEPS, Brussels*

11.00-11.30 *Break*

11.30-13.30 **Risks in the sliding (escalating?) status quo in the Middle East, with/without an early US war with Iraq**

Chair: Mr. Michael EMERSON, *Senior Research Fellow, CEPS, Brussels*

Panel: **On risks for Israel:** Ms. Anat KURZ, *Jaffee Center for Strategic Studies, Tel Aviv University*
On risks for Palestine: Mr. Samih ABID, *Deputy Minister, Planning and International Cooperation (PNA), Ramallah*
On risks for the Arab world: Dr. Waheed Abdel MEGUID, *Deputy Director, Al-Ahram Centre, Cairo*
On risks for the Arab world and the West: Dr. Patrick SEALE, *Writer and Consultant, Paris*
Overview: Dr. Geoffrey KEMP, *Nixon Center, Washington DC*

17.30-20.30 **Core issues for an Israeli-Palestinian peace: maps, fences and settlements**

Chair: Ms. Luisa MORGANTINI, *M.E.P., Brussels/Strasbourg*

Panel: **On fences, separation and cantons:** Dr. Gershon BASKIN, *Co-Director, Israel/Palestine Center for Research and Information (ICPRI), Jerusalem/Bethlehem*
On settlements and withdrawal: Mr. Noam HOFFSHTETER, *Executive Director, Peace Now, Tel Aviv*
On maps and settlements: Mr. Samih ABID, *Deputy Minister, Planning and International Cooperation (PNA), Ramallah*

Discussants: Dr. Daniel LEVY, *Economic Cooperation Foundation, Tel Aviv*
Dr. Riad MALKI, *Director General, Panorama Center, Ramallah*

TUESDAY 10 SEPTEMBER

9:00-11:00 **Refugees and Arab citizens of Israel**

Chair: Ms. Luisa MORGANTINI, *M.E.P., Brussels/Strasbourg*

Panel: **What future for the Refugees?** Ms. Tanja SALEM, *CEPS, Brussel*
Issues regarding the Arab citizens of Israel: Mr. Jafar FARAH, *Director, Mossawa Centre, Haifa*

Discussant: Dr. Gershon BASKIN, *Co-Director, Israel/Palestine Center for Research and Information (IPCRI), Jerusalem/Bethlehem*

11.00-11.30 *Break*

11:30-13:30 **Palestinian governance**

Chair: Dr. Waheed Abdel MEGUID, *Deputy Director, Al-Ahram Center, Cairo*

Speaker: **Reform of Palestinian governance and the peace process:** Dr. Riad MALKI, *Director General, Panorama Centre, Ramallah*

Discussants: Mr. Samih ABID, *Deputy Minister, Planning and International Cooperation (PNA), Ramallah*
Ms. Anat KURZ, *Jaffee Center for Strategic Studies, Tel Aviv University*
Dr. Geoffrey KEMP, *Nixon Centre, Washington DC*
Mr. Christian BERGER, *EU Commission, Brussels*

17:30-20:30 **EU-Med policies (I): trade, aid and institutional structures**

Chair: Ms. Luisa MORGANTINI, *M.E.P., Strasbourg/Brussels*

Panel: **Rethinking 'Barcelona':** Dr. Joel PETERS, *Department of Politics and Government, Ben Gurion University of the Negev*
Assessment of EU policy for 'Barcelona' area: Dr. Eric PHILIPPART, *Free University of Brussels*
EU-Israel: legal issues on trade and human rights, Mr. Charles SHAMAS, *Senior Partner, The Mattin Group, Jerusalem*
EU-Israel: medium to long-term perspectives: Mr. Alfred TOVIAS
[absent, paper presented by J. Peters]
Overview: Ms. Nathalie TOCCI, *Research Fellow, CEPS, Brussels*

Discussant: Dr. Wheed Abdel MEGUID, *Deputy Director, Al-Ahram Center, Cairo*

WEDNESDAY 11 SEPTEMBER

9:00-11:00 **Regional regimes, post-conflict**

Chair: Mr. Christian BERGER, *EU Commission, Brussels*

Political structures for the East Med: Dr. Bjorn MOELLER, *Copenhagen Peace Research Institute (COPRI)*
Security regimes: Dr. Thanos DOKOS, *Director of Studies, Hellenic Foundation for European and Foreign Policy (ELIAMEP), Athens*
Economic regimes: Dr. Paul BRENTON (*absent, paper presented by Michael Emerson*)

Discussant: Dr. Wheed Abdel MEGUID, *Deputy Director, Al-Ahram Center, Cairo*

11:30-13.30 **EU-Med policies (II): democratisation and religion**

Chair: Dr. Patrick SEALE, *Writer and Consultant, Paris*

Panel: **Democratisation policies:** Dr. Richard YOUNGS, *Research Fellow, Norwegian Institute for International Relations, Oslo*

Three cultures as factor of division or unity: Dr. Theodore KOUTROUBAS, *Catholic University of Louvain*

Discussant: Mr. Charles SHAMAS, *Senior Partner, The Mattin Group, Jerusalem*

Working Group III:
Muslim Christian Relations in the 21st Century Europe

Coordinator:
Prof. Aziz AL AZMEH, *Distinguished Professor,*
Humanities Center, Central European University, Budapest

SUNDAY 8 SEPTEMBER

21:30 Welcoming dinner at the Maria tavern at the Halki port

MONDAY 9 SEPTEMBER

9:30-13:00 **The international security dimensions of Christian-Muslim relations:**
Prof. Aziz AL-AZMEH, *Distinguished Professor, Humanities Center,*
Central European University, Budapest
Dr. Thanos DOKOS, *Director of Studies, ELIAMEP, Athens (comments)*

18:00-20:30 **Collective memory and the historical antecedents of contemporary Christian-Muslim relations:** Prof. Aziz AL-AZMEH, *Distinguished Professor, Humanities Center, Central European University, Budapest*

TUESDAY 10 SEPTEMBER

09:30-12.00 **Balkan Islam: the EU enlargement into Southeastern Europe:**
Dr. Ekaterina NIKOVA, *Bulgarian Academy of Sciences, Sofia*
Dr. Xavier BOUGAREL, *Centre Nationale de Recherches Scientifiques (CNRS), Paris*

12.00-12.30 *Break*

12.30-13.30 **The Impact of European integration on Muslims and state-minority relations in Southeastern Europe**
Dr. Dia ANAGNOSTOU, *Visiting Lecturer, Department of Political Science,*
Aristotelian University, Thessaloniki

18:00-20:30 **The interreligious and intercivilizational interaction in the global era. The case of Turkey-EU Relations:** Dr. Ahmet DAVUTOGLU, *Chairman,*
Department of International Relations, Beykent University, Istanbul

WEDNESDAY 11 SEPTEMBER

09:30-13:30 **Cross-cultural and religious perspectives on an 'ideal' Europe Eastern Orthodox Perspective:** Archpriest Stephen HEADLEY, *Centre Nationale de Recherches Scientifiques (CNRS), Paris*

European Muslim Perspective: Dr. Yahya MICHOT, *KFAS Fellow in Oxford Center for Islamic Studies*

Radical Islamism and European strategic options: Mr. Bruno REIS, *Instituto de Estudos Estratégicos e Internacionais (IEEI), Lisbon*

Working Group I, II & III:
Concluding Session

18:00- 20:00 **Presentation of reports from WG I, II and III**
Roundtable Discussion

Chair: Dr. Ioannis BOURLOGIANNIS-TSANGARIDIS, *Ambassador (ret.), Athens*

Rapporteurs: Dr. Fouad AMMOR, *Groupement d' Etudes et des Recherches sur la Méditerranée (GERM), Rabat*
Mr. Michael EMERSON, *Senior Research Fellow, Centre for European Policy Studies, Brussels*
Ms. Effie FOKAS, *PhD Candidate, London School of Economics, UK; Research Fellow, Hellenic Foundation for European and Foreign Policy, (ELLAMEP), Athens*

Discussant: Dr. Roberto ALIBONI, *Vice President, Istituto Affari Internazionali (IAI), Rome*

Closing Remarks

Dr. Thanos DOKOS, *Director of Studies, Hellenic Foundation for European and Foreign Policy (ELLAMEP), Athens*

20:30 Farewell reception

THURSDAY 12 SEPTEMBER

07:00 Luggage should be packed and assembled either in the Halki Hotel lobby or at the accommodations' entrance, to be collected and loaded on the boat

07:30 Departure from Halki to Kamiros Skala Port in Rhodes and from there to Rhodes airport by bus

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	7 NOV. 2002
BIBLIOTECA	

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September 8 – 12, 2002**

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Ministry of Foreign Affairs, Athens
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The New Walls and Fences – Consequences for Israel and Palestine

Gershon Baskin, Ph.D.

The Concept of Separation

For many years the peace camp in Israel has been divided over the concept of "separation". There are those who have spoken about separation as a concept to describe the process of establishing a Palestinian state alongside of Israel, and in this context the meaning of "separation" was political. Political separation refers to the end of the Israeli occupation of the West Bank, Gaza and Palestinian Jerusalem, and the creation of an independent sovereign Palestinian State in its place. There are others, even from the "peace camp" in Israel who have referred to "separation" not only in political terms, but also in demographic and economic terms: separation for them means the removal of Palestinians from Israel through the creation of a Palestinian State alongside of Israel and the construction of a "hard" boundary that would put an end to Palestinian physical presence within the State of Israel.

According to Dan Scheuftan on his book on Separation¹, Yitzhak Rabin and Ehud Barak are the primary protagonists of the concept of "hard separation" - or minimizing Palestinian presence in Israel to the lowest possible levels, while Shimon Peres would be considered the primary protagonist of the first viewpoint - political separation with wide ranging cooperation, particularly in economic relations and economic development. Ehud Barak's campaign slogan in 1999 summarized the point of view of the line of "hard separation: "We are HERE and they are THERE".

Before the elections of 1999 I spoke with Ehud Barak about his "vision" of peace. He told me the following: With the establishment of a Palestinian State, over a period of up to three years, all Palestinian labor presently employed in Israel would be employed within the Palestinian State. The goal is to end all Palestinian labor in Israel. Barak's "vision" was not based solely on security concerns, that have become the primary impetus for the establishment of the dividing wall today, rather it was based on Barak's overall view of the State of Israel as the State of the Jewish people, deeply rooted in classical Labor Zionist ideology tracing its sources to people like

¹ Dan Schueftan, *Korah Hahafrada – Disengagement, Israel and the Palestinian Entity*, Zmora-Bitan, 1999

A.D. Gordon, one of the leaders of the Second Aliyah (or immigration wave) at the beginning of the last century. Through its positive advocacy of "normalizing" the Jewish people by transforming them into workers of the land, Second Aliyah ideologues preached the philosophy of "Jewish Labor Only" and fought against the land owners of the "First Aliyah" who relied heavily on local Arab labor in their farms. This slogan became an inherent part of the Zionist ethos and has been echoed throughout the history of Israel and Zionism. Most of those who advocate this position or have internalized the essence of this ideology, do so without assuming that it contains any elements of racism or racist ideology. They would be the first to advocate equality for Arabs – in their own communities – or what was similarly termed in the US during the civil rights battles – separate but equal.

Dan Scheuftan's book is the latest and one of the most explicit exposes of modern Zionism². Scheuftan's only concerns are those related to the welfare of the State of Israel. He contends in his well thought out logic that Israel cannot allow itself to be part of the Middle East because the Middle East is one of the most corrupt, ant-democratic and backwards part of the world. Scheuftan strongly links the deep religious Islamic ties of Arab and Muslim countries in the region to the lack of democracy and western liberalism. He speaks about the economic failures of this region due to the lack of democracy and as a result of the corruption of the regimes. He speaks about the backwards attitudes of these societies towards women and the fact that in most of these countries there is little productive work and almost no real contribution to the culture of the world. Scheuftan states that the Palestinians and their State that they will establish, will most probably be just like all of the other States in the region and cites repeatedly negative quotations of leaders of the Palestinian Authority to strengthen his point.

Scheuftan also bases heavily his arguments on what he terms the irredentist tendencies of the Palestinians and their demand for the "right of return" for Palestinian refugees. Scheuftan is firmer and more explicit on this issue than on almost everything else. For Israel, he says, as long as the demands for the return of the refugees exist, there will always be an existential threat for Israel from the Palestinians. Accordingly, as long as there is an open border that allows Palestinians to enter Israel the demand for the right of return will exist. The appeal of Israel, both for Palestinian nationalistic reasons as well as the economic realities and the greater amount of freedom existing inside of Israel, will always serve as a magnet for demands for return and impetus for those who seek to implement that right. Scheuftan speaks about the "creeping" implementation of the right of return through family reunifications and marriages between Israeli Arab women and Palestinian men from the West Bank, Gaza and the Palestinian Diaspora. Scheuftan says that the

² Scheuftan's book was adopted as the background for the Separation policy adopted by Israel's National Security Council where Scheuftan serves as an advisor. This book seems to be the working manual for the IDF and wide Israeli political circles for the implementation and the construction of the unilateral construction of walls and fences.

Israeli Ministry of Interior has records of more than 100,000 Palestinians who have "implemented" the right of return since 1994 under the possibilities granted as a result of the open borders facilitated by the Oslo agreements.

Scheuftan is so far reaching in his ideology that he has said in public that the wall that Israel should construct, even in Jerusalem, should remove as many Palestinians as possible from within the Israeli side, even separating, physically, the Muslim Quarter of the Old City from the rest of the Old City of Jerusalem. Here, Scheuftan goes far beyond the consensus in Israel with regards to both separation and to Jerusalem. The entire issue of the Jerusalem area, how and where the fences and walls will be constructed is perhaps the most problematic part of the entire plan. As former Jerusalem Deputy Mayor, Meron Benvenisti points out: *"Those planning the 'Jerusalem envelope' have to define for themselves exactly what they mean by the borders of the entity called Jerusalem - what will be inside and what will remain outside. Under the conditions ensuing since 1967, the definition of the borders of the city has been a matter for politicians, not urban planners. The results can be seen in the disintegrating city and its dizzying sprawl over huge areas that make any rational urban management impossible. The ideological tendency is to mark the 'envelope' according to the municipal boundaries - 124 square kilometers - but those borders have long ceased to satisfy the Israeli ambition for 'maximum land with minimum Arabs;' and on the other hand, following the municipal lines would include hundreds of thousands of Palestinians.*

The establishment of the 'separation fence,' which arbitrarily puts areas populated by Palestinians 'beyond the fence' and leaves other Palestinian 'neighborhoods' inside Jerusalem, is based on the assumption that 'terror' comes from the Palestinian areas, while the Arab residents of Jerusalem are peace-loving people who stay away from terror."

Scheuftan's ideology has received wide public support in Israel as a popular concept that was strengthened significantly also as a result of the violent protests of the Palestinian citizens of Israeli in October 2000. Most Jewish Israelis would be very supportive of the idea of placing the entire area of the Little Triangle inside of Israel (including Israeli Arab cities such Taybe and Um el Fahm) within the area that would be on the other side of the fence, allowing those Palestinians to join their brethren within the Palestinian State, on the other side of the wall.

Scheuftan clearly sees the security problems caused by terrorism as a kind of "value added" to support his ideology. The security factor adds to the political feasibility of the wall and, in fact, is the determining factor that has led to the Government of Israel's decision to construct the wall on the ground. But the security factor is not the main reason, in Scheuftan's view for needing the wall. He believes that one of the great mistakes of Oslo (of which he thinks that there were many) was in removing the responsibility

from the Palestinians of worrying about themselves and taking care of their own needs.

Economics, Walls and Fences

Scheuftan further employs economic data and theory to justify the necessity of the full and permanent separation. Economic life and the quality of life, according to Scheuftan, will always be much higher on the Israeli side of the wall. Israel does not need the of also having to worry about the needs of the Palestinians. Schueftan points to the clear and impending demographic threat that the strong Israeli economy creates making it a desirable country to immigrate to from the surrounding neighborhood. If Palestinians are allowed to enter Israel, they will always be planning in their minds where in Israel they would like to reside and will make operative plans to bring about their own "return".

He states that even under policies of open borders, the Palestinians will never catch up to Israeli in terms of economic growth. The linking of the Palestinian economy to Israel will have a negative impact on the Israeli economy as a weight on Israel, constantly pulling it backwards. The continued failure of the Palestinian economy, according to Scheuftan is endemic and mirrors the other economies of the Arab world. The lack of an open, modern western economy in Palestine is a reflection of the lack of democracy there which is based on the lack of democratic values in the society – something that is not likely to change. In this context, according to the holders of this viewpoint, the gaps between Israel and Palestine will continue to grow and will only lead to embroiling the two parties in a pattern of constant ongoing conflict.

Scheuftan further attacks the concept of border industrial zones or of Palestinian employment in Israel. He maintains that continued Israeli exploitation of cheap Palestinian labor cements the negative power imbalance between the rich Israeli society and the poor Palestinian society and will only serve as the basis of continued feelings of humiliations and sub-servitude of Palestinians to Israelis. He maintains that the only possible remedy to this situation is the total disconnection of the Palestinian economy from Israel. He preaches a kind of super Palestinian nationalism for Palestinians asserting that they must take full responsibility for their own future and to stop depending on Israel for their welfare. In such a model, Schueftan states that the Palestinians will no longer be able to blame Israel for all of their woes.

He claims that the Oslo Agreements, and in particular the Paris Economic Protocol, makes Israel primarily responsible for the development of the Palestinian economy. The tax collection structure whereby Israel collected Palestinian VAT and custom tariffs further increased Palestinian dependency on Israel and further reduced the chances (little as he believes) that the Palestinians would take responsibility for themselves. He states that the Palestinians, who had the responsibility of collecting income tax within the

Palestinian territory never did the job properly. They were able to rely on the tax transfers from Israel from VAT and customs and on the donations of the international donors who provided great amounts of income to the PA. The fact that the PA proved to be corrupt and did not act responsibly with the management of its own economy is further proof, in Scheuftan's view, that Israel should not even mingle in the same "room" as them. According to Scheuftan, Palestinian reliance on Israel would only diminish whatever little chances there are that the Palestinians might someday be worthy of having as neighbors.

He concludes that Israel has nothing to gain and everything to lose by trying to integrate into this region. Israel should, therefore, close off its borders completely to the region (and to the Palestinians). There should be no Palestinian trans-boundary labor, movement of people or even movement of goods. Only when the Palestinians can prove that they are worthy of joining the community of nations, should Israel open its borders to the East, but only for the purpose of trade – not for labor importation.

It should be noted that the philosophy advocated by Scheuftan and voiced by Rabin and Barak (Rabin mainly at the outset of his term of office and much less so after Oslo) never had real support in the Labor Party over the past years (until now), at least since Oslo. The support within Labour today and within the Likud has been generated mainly from the fear of the Israeli public due to increased terrorism, primarily of suicide bombers.

Oslo and the Politics of Separation

The Oslo Peace Process was based on the concept of cooperation and economic integration. The following are some of the many committees and joint structures that were built into the Oslo Peace Process:

Joint Committees for Cooperation

- Joint Israeli-Palestinian Liaison Committee – DOP
- Joint Economic Committee – DOP
 - Cooperation in the fields: water, electricity, energy, finance, transport, communication, trade, industry, labor, environment protection, human resource development, media, etc.
 - Liaison & Cooperation with Jordan & Egypt – DOP
- Joint Security Coordination & Cooperation Committee (JSC) – Cairo Agreement
- District Coordination Offices (DCO's) – Cairo
- Joint Patrols – Cairo
- Joint Mobile Units (Rapid Response) – Cairo
- Joint Civil Affairs Coordination & Cooperation Committee (CAC) - Cairo
- JEC – Joint Economic Committee (Paris Protocol)

- 1. Sub-committee of experts to look at data regarding past consumption, production, investment and external trade of the Areas.
- 2. Sub-committee for goods imported from Arab countries
- 3. Sub-committee on transportation
- 4. Sub-Committee on Petroleum products
- 5. VAT Sub-committee
- 6. Veterinary Sub-Committee
- 7. Plant Protection sub-committee
- 8. Dairy sector sub-committee
- 9. Tourism sub-committee
- 10. Compensation/legal issues sub-committee
- Joint Security Committee (Oslo II)
 - Regional Security Committees (RSC)
 - DCO's – District Coordination Offices
 - Joint Patrols
 - Joint Liaison Bureaus
- Annex on Cooperation – Standing Cooperation Committee (SCC)
 - Environment
 - Economic
 - Cultural & Education
 - People to People

The vision of Oslo was based on the concept of cooperation in every field possible. The protagonists of this view believed that through cooperation, and mainly through economic cooperation, peace would bear many fruits and economic prosperity would bring about the decline of the extremists and the spoilers of peace. The espousers of the Oslo process had hoped that Israel's technological know how and its access to global markets would enable the Palestinians to exploit Israel's relative advantages and to achieve rapid economic growth and prosperity for its people. This, of course, did not happen. (Scheuftan believes that it could not happen, as mentioned above).

In the period 1993-96, there were a total of 342 days of closure affecting the Gaza Strip and 291 days in the West Bank. In 1996 alone, closures increased by 57 percent in the West Bank and 35 percent in the Gaza Strip over the year before. The Palestinian Center for Economic Research, MAS, points out that the 1996 closures differed from those in preceding years in that they were in effect during most of the months of the year, - in actuality, a policy of full separation. This had a significant effect on the continuity and regularity of production, marketing and income generation. This exacerbated the confusion and distortion that affected Palestinian economic activities in general.

- From 1992-96 per capita GDP declined by about 24 percent, while per capita GNP declined by about 39 percent

- Unemployment, which before 1993 hovered at 5 percent, soared to over 28.4 percent in the Occupied Territories in May 1996.
- Estimated total cost of closures between 1993-96 at \$2.8 billion. This amount represents 70 percent of a year's GDP and double the amount of aid disbursed in the area over that period.

In this respect, the policy of economic integration was never really given a fair chance. Most analysts would correctly argue that the policy of closures had little to do with the need to provide Israel with security and was aimed mainly at allowing the politicians to provide the people of Israel with an appearance of security. In fact, the systematic demise of the Palestinian economy through the policy of closures mostly created the security threats that led directly to the Al Aqsa Intifada. Closure meant not only that Palestinian labor in Israel was phased out in favor of non-Palestinian foreign laborers, but it also prevented normal trade between Israel and the Palestinians. The movement of goods became as difficult as the movement of people. Foreign investment, even by Palestinians abroad was diverted from Palestine because of, amongst many reasons, the inability to receive guarantees from Israel that the importation of raw materials and the exportation of finished goods could take place on a normal basis. Special transportation zones, such as the Karni Transport Zone between Gaza and Israel, were established that never fully served the goal of free movement of goods. Certain limited numbers of Palestinian businessmen were given permits for freer movement, but as a whole, the Palestinian economy was severely crippled as a result of the closure/forced separation policies.

As such, the spirit of Oslo was never really implemented and therefore, it is not possible to simply rule that economic integration could not produce the desired results. Additional limiting factors on Palestinian economic development were the lack of Palestinian democracy and the economic corruption that developed within the Palestinian Authority. It should be mentioned that both of these were in partnership with Israel which did not ever really seem to show a keen interest in Palestinian democracy or in an open and free Palestinian economy. From the narrow vision of Israeli leaders, (at least as perceived from the results on the ground), a non-democratic Palestinian Authority that is easily corruptible seemed to many Israeli leaders as the correct mix necessary for the PA to serve the policing functions that Israel was mainly interested in. One can only wonder what circumstances would have developed and how much Palestinian support for real peace would have emerged if Palestinians had enjoyed the fruits of peace.

The Construction of the Walls and Fences

After 24 months of violence and terrorism and out of a great sense of frustration, the Israeli government has now voted in favor of the fence and has allocated financial resources for its construction. The main incentive for building a fence is to prevent suicide attacks against Israeli civilians. The

Israeli government is under considerable public pressure to present a workable solution. The Israeli security forces could not frustrate all the suicide attacks, and Operation "Defensive Shield" and the subsequent so called "pinpoint operations" in Palestinian cities managed only to reduce temporarily the intensity of attacks. Another solution had to be found.³

It should be stressed that "fence" is a generic term for a physical barrier that will assume different forms in different locations. In places where Jewish and Palestinian population centers are close to each other, it might take the form of a high concrete wall that will not only prevent infiltration by terrorists but also give protection against light arms fire. In other places, the wall could really be an electronic fence.⁴

The wall or fence is supposed to be part of a separation system, aimed at preventing any infiltration into Israel from beyond the so-called "Green Line." This system might cover an area to a depth of up to five kilometers (in unpopulated areas). It will include physical obstacles, monitoring systems and military and police forces kept on high alert, with the aim of detecting and foiling any unauthorized attempt to cross into Israel. Passage into Israel is supposed to be possible only through supervised entry points.⁵

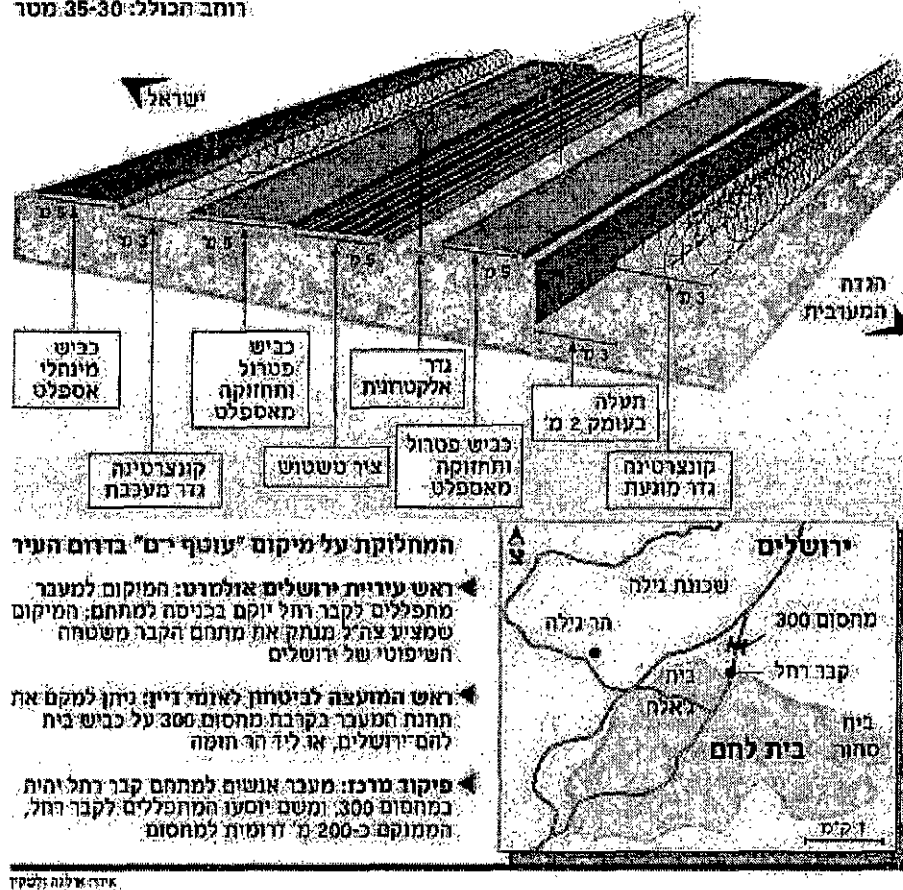
³ ERECTING A SEPARATION FENCE Shlomo Brom & Yiftah S. Shapir. Jaffee Center for Strategic Studies, June 27, 2002

⁴ ERECTING A SEPARATION FENCE Shlomo Brom & Yiftah S. Shapir. Jaffee Center for Strategic Studies, June 27, 2002

⁵ ERECTING A SEPARATION FENCE Shlomo Brom & Yiftah S. Shapir. Jaffee Center for Strategic Studies, June 27, 2002

מכשול ההפרדה

רוחב הכולל: 30-35 מטר



This model drawing of the proposed fence shows a system 30-35 meters in width including (from the left to the right – Israel to the left of the drawing and Palestine to the right) an asphalted road five meters wide, barbed wire fencing 3 meters in width, an asphalted patrol road five meters wide, a sand road for detecting footprints five meters wide, an electronic detection fence, another asphalted patrol road five meters wide, a two meter deep ditch three meters wide, and then another three meters of barbed wire.

Most of the fences will be built with wire. But in a couple of locations there will be a wall, like the one on the highway at Qalqilya. The effective range of the Kalashnikov rifles that many Palestinian gunmen carry is 500 meters. Where there are Israeli homes that are close to Palestinian houses or farmland, concrete walls will block lines of fire, or else the fences will be constructed deeper inside the West Bank. One such spot is in Kokhav Yair, an Israeli town just next to the Green Line where IDF planners shifted the line 500 meters. That will force Palestinians from neighboring Falamah to cross through a checkpoint in the fence to reach their fields across the street from Kokhav Yair.

Demarcating a line in Jerusalem is even more complicated. The very idea is extremely sensitive politically, given successive governments' commitment to an undivided Jerusalem as the "eternal capital of Israel." There are practical problems too. For one thing, the common notion of East Jerusalem as being all Arab isn't correct. About 35% of the land in East Jerusalem has been turned into Israeli neighborhoods since Israel conquered the area in the 1967 war. It's not possible to draw a line through the city without leaving lots of people on the other side. For that reason, the Israeli Government has not yet determined exactly where they will erect the Jerusalem wall, though work has already begun in the south of the city separating Gilo from Bethlehem. As a result, parts of Bethlehem, from the Bethlehem checkpoint (Mahsom 300) until Rachel's Tomb will be physically annexed to the Jerusalem municipality. The wall is likely to be built through the eastern outskirts of the city and probably won't pass near the heavily disputed Old City, with its Jewish and Muslim holy sites.

Many Palestinians and some Israelis argue that cordoning off East Jerusalem from the rest of the Jerusalem will only radicalize its residents, who so far have not participated much in the violence of the uprising. Today Palestinian Jerusalemites can come and go as they like in Jerusalem, taking advantage of educational, medical, recreational and work opportunities in the city. But if they are closed off in the less developed eastern part of town, some Palestinians say, they might start importing violence to the city.

Devastating effects on the Palestinian Economy

There are three industries in Israel that are dependent, in one way or another, on the question of non-Israeli labor. Two of them -- agriculture and construction -- are gliding down the road of separation. Agriculture has almost completely separated, and construction has partly separated from the opportunities offered by the Palestinian economy. The third industry that is in trouble is tourism. Beyond that, the Israeli labor market develops regardless of the solution that evolves regarding the Palestinians.

As for the Palestinian economy, taking the recorded figures of the Palestinian economy from 1992, prior to the Oslo process; then from 1995-1996, the middle of the separation process; and then the recovery in 1999, and after that the effects of separation of the economies of the past two years, the Palestinian economy is now in deep recession once again. In 1992, the Palestinians exported into Israel a quarter billion dollars worth of intermediary and finished goods, and in 1996 the figure remained the same.

As to remuneration of Palestinian labor, the figure is more dramatic. It was \$920 million in 1992, and it dropped to \$405 million by 1996. During the period of 1997 - 1999 it grew again, recovering to about one billion dollars. In 1999, Israel also paid over a billion dollars to Romania, to China, to Thailand and other economies for imported labor as well. This is the net transfer -- that is, over and above their cost in Israel itself. In the labor

market in Israel, there is an inclination now to exclude the Palestinians for reasons of convenience and prejudice as well.

All in all, the figures from 1992 to 1996 and from 2000 until the present, show that if there is a higher degree of separation, there is a direct loss of 50 percent of the entire slate of Palestinian exports – labor and goods. Palestinian economists often speculate about how Palestinians could penetrate other markets outside of Israel and how long it will take, but there is really no speculation there. The answer is known, it will take a very long time, years -- if it ever happens at all. Exporting abroad is not only a matter of having ports, planes and ships, it is mainly a matter of creating markets. Palestinians do not have an established mechanism for creating these markets, not for goods and not for labor services either. In the short-run, the exportation of labor services is utterly impossible. The exportation of other goods and services are possible, but from what we know, it will be very slow. When you consider the current account of the balance of payments of the Palestinian economy, there will be trouble in the next years, and the degree of separation will determine the depths of this trouble.

If more passages, like the crossing in Karni are established, which involves a very cumbersome procedure anyway, moving a piece of merchandise in Karni exactly "by the book," should take 45 minutes. In reality, it takes several hours if not days. Anybody who knows anything about the procedures and bureaucracy and military machines should have predicted -- and some people did predict -- that that would cause a serious problem to anybody who wishes to have a plant on the Palestinian side in the Gaza Industrial Estate and take the merchandise back and forth on an out-sourcing basis. It is nearly impossible, and this is the number one deterrent.

One can have the most ideal description of a model of cooperation or of limited integration. In reality, with regards to implementation, it's usually an all-or-nothing proposition. It's either open so as to make the operatives on the spot treat it as an open passage, or it's controlled. Once you decide it's controlled, and this is how it looked since 1996, even movement of goods and raw materials becomes very limited.

With regards to access to markets, the question is not only regarding developing something new. In order to develop something, first of all you need investors. Investors come in only if they have markets. In Eastern Europe, local markets were big enough, and the first investors to come are very important things -- McDonald's and Coca Cola. With Russia and China, that's what happens because they're huge markets. The Palestinian market is very small. Therefore, very few investors will come, or the amount of investment to satisfy local demand will be much too slow to create employment and generate enough income.

Palestinian exports may become diversified in terms of countries to which they are sent, but Israel will still remain the largest market in this stage. In

the long run, the Palestinian economy should access the world market directly, which they might have if they are able to establish and run their sea and airports. However, they will always be limited by the size of their industries and the ability to penetrate world markets. Floriculture is a good example to raise. This is an exporting industry. It has nothing to do with the markets in Gaza or any other place in the Palestinian territories. Whatever is being marketed there is small and insignificant. The major source of income is the exports. The question in floriculture is how can the people engaged in this business in Gaza export to Europe, which is the largest market in this part of the world. Until now they have done this successfully by exporting first to Israel. That is, they are using the services of the Israeli terminal and airport to their advantage and the Israeli marketers and forwarders. If they can replace it, or when they can replace it, that's a big if, perhaps they will be able to do it without Israel. Most experts in this field estimate it will take ten years to develop⁶.

The reasons are complex, but there is one that is rather simple. There are about two to three cargo airplanes going back and forth between Ben-Gurion and Europe everyday. There is always ample capacity with two-way cargo traffic. Israel, with its economy that is some 15-20 times larger than the Palestinian economy, and its standard of living that is ten times higher than that in the Palestinian territories, needs air-lifted imports to the level of at least two airplanes a day. There is no such solution for the Palestinian economy in the foreseeable future.

An additional problem, even without total separation, due to the security situation, is the slow and cumbersome process of moving goods. Even with a specified transportation zone for that purpose like Karni, the slow-down in movement of goods due to real security needs and as part of the procedures of "hitting" the Palestinians as a form of pressure or punishment, makes it absolutely impossible to do real business. It kills the merchandise on the way. You cannot take back-to-back material in cooled containers and come up with good merchandise⁷. It becomes even more complicated and more sensitive when you move to more sophisticated products such as from carnations to roses, because then one flower costs \$1-2 US dollars. There is a potential for great loss of investment just because some Israeli officer at the crossing point does not wish to cooperate on a given day.

It is true that if the Palestinian economy has free access, not through Israel, to Egypt or Jordan, it could help a lot. However, the important future markets for the Palestinian economy are the larger and wealthier markets -- Israel, Europe and the United States -- and not the Arab world. The Arab markets are, first of all, too small. Secondly, most of them are competing

⁶ Prof. Ezra Sadan, Prof., Ephraim Kleiman, Hillel Adiri – Israeli Ministry of Agriculture.

⁷ The Back-to-back process involves the down-loading of goods from a Palestinian truck and transferring them, after screening and checking by security to an Israeli truck stationed in a "sterile" area which then move into Israel – to the Israeli markets or to the Israeli ports.

markets. Today, for example, Jordan wants very limited Palestinian imports. The Gulf can buy anywhere in the world, and that's what they do. They also buy from the Palestinians, but neither the Palestinians nor Israel produce Cadillacs or other luxury goods that are in a higher demand there. There is a potential market in the Gulf for some Palestinian products, but it's not a market which is just waiting for the Palestinian economy and which will solve all the problems of the Palestinian economy.

Mixed Opinions

There are many arguments amongst the supporters of Israeli-Palestinian peace on the question of unilateral separation. Recently, on June 18, 2002, Haaretz Newspaper, generally a supporter of the peace process, published an editorial in support of the walls and fences. The editorial states the following:

It is not difficult to list all the flaws of the separation fence, which after some hesitation, began going up this week in the northern part of the West Bank.

First of all, the fence is a unilateral development on Israel's part, without any consultation with the Palestinians and against their wishes. As such, it gives blunt expression to the despair gripping Israelis since the failed negotiations with the Palestinian Authority and the consequent outbreak of murderous violence.

There is, therefore, no certainty that the fence will hasten renewal of the political process between the two peoples. Nor is there any guarantee the fence will accelerate domestic Israeli processes leading to the evacuation of the settlements, a necessary step on the way to a political agreement. Indeed, in the short term, the fence might strengthen the settlers' determination to hunker down in their positions. That will double the burden on the security forces: They will have to man the security zone around the fence and, with beefed up deployments, protect the settlements.

The fence will eat into some of the land on the Palestinian side of the Green Line. In some places, it will be diverted eastward a few kilometers to encompass Jewish settlements built across the Green Line. This "land grab" will make neither the fence nor Israel more likable to the Palestinians who continue living along the border in the future. When it reaches Jerusalem, the fence can be expected to compound political and demographic problems that already appear insoluble.

Nonetheless, the fence's advantages outweigh its disadvantages. *First of all, hopefully, it will reduce the intolerable price in blood that has been paid with the lives of peaceful Israelis practically every day. Even the pessimists, who warn that passive-defense systems - no matter how sophisticated - cannot provide hermetic protection, admit there's a measure*

of efficacy to the system. The only efficient alternative to a fence, say senior security experts, is a perpetual war of occupation deep inside Palestinian territory.

*But beyond the immediate security benefits resulting from the establishment of a protected seam area, **a new, tangible reality of separation between two national, geographic entities, will ensue. This reality will gradually become part of the consciousness of both peoples.** That is no small matter, especially not for the many young people for whom separation is only a vague memory or an imaginary abstraction. The change could be revolutionary: **A physical change that leads to a psychological change, with which it may be possible to rehabilitate the much longed-for political change.***

Therefore, after the decision was made in principle to build the fence, there's no more room for delays and debates. This is an emergency. The fence is not a perfect solution, far from it, but it is apparently the best alternative. The timetable for building the fence is said to be months, or even years, until its completion. But given the importance and urgency of this national mission, such timetables are unnecessary and illogical. The fence should be given the highest priority and its progress should move forward at maximum speed.⁸

There is an unsubstantiated assumption in the position taken by Haaretz which is quite prevalent primarily amongst Labour Party supporters of the separation plans. In his article in the *Al Ahram Weekly* from July 11-17, 2002, Dr. Ilan Pappé from the Haifa University, reminds us that Binyamin Ben Eliezer and Haim Ramon, two leaders of the Labour Party, have even called their plan for separation a "Peace Plan". Pappé writes: "*The Labour Party has always sought a peace which would be based on a dividing line. Indeed, this was their main slogan in the 1992 general elections: 'We are here and they are there'. For Labour, the Zionist dream can only be fulfilled through total separation between Palestinians and Jews. The question of what exactly may happen on the other (Palestinian) side of the fence never seems to bother these peace visionaries. They are not interested in the economic viability of life on the other side, or in how it will manage its natural and water resources (most of which Labour intends to keep on the Israeli side of the divide), nor what its sovereignty will amount to (which Labour in any case does not intend should be full or complete, since Labour's 'Palestine' would incorporate many extra-territorial blocs of Jewish settlements), nor even how it will achieve security (since security is meant to remain exclusively in Israeli hands).*"⁹

The Many Unanswered Questions

⁸ Haaretz Editorial, June 18, 2002, English Edition (www.haaretzdaily.com)

⁹ Ilan Pappé, *Al Ahram Weekly*, July 11-17, 2002, Issue Number 594

The questions raised by the Haaretz editorial and by Pappe point to some of the main issues that need to be discussed by those who support real Israeli-Palestinian peace with regards to the likely effects of the construction of the walls and fences.

- Will the benefits to future peace outweigh the hindrances?
- Will the fence create a new political border between Israel and Palestine?
- Will that border become indelible in the minds and psyches of Israelis and Palestinians?
- Will the existence of the fence and walls further the process of delegitimizing the settlements amongst Israeli citizens?
- If, as is planned now, the settlements remain on the other side of the line – on the Palestinian side, will they become the main targets of Palestinian violence against the occupation?
- If the settlements do become the primary targets, will this serve the development of public opinion amongst Israelis against the settlements or will it strengthen support and solidarity of the Israeli public with the settlers?
- Will the fences and walls improve the basic security situation for Israeli citizens or will suicide bombers still be able to get through?

Israel's security chiefs and experts are confident that the Wall will answer the questions of security positively. "With this fence, we'll be able to stop 100% of terrorist infiltrations," asserts Brigadier General Israel Yitzchak, who heads the Border Police unit responsible for patrolling the seam line between Israel and the West Bank. A fence constructed around the entire Gaza Strip in 1994 has proved valuable. According to Avi Dichter, head of the Shin Bet, Israel's domestic-security agency, not one suicide bomber has entered Israel from the Gaza Strip since the current uprising began. The new barrier, at least initially, won't completely fence off the West Bank. But it will make it much harder for Palestinians to cross between the north of the West Bank and the populous coastal region of Israel. Terrorists can't easily go around the barrier, because travel within the West Bank is monitored by Israeli soldiers manning checkpoints¹⁰.

Many Israeli Security experts have written in-depth about the walls and fences, such as Yossi Alpher noting the following¹¹:

Militarily, fences and walls will have no effect on mortar or rocket attacks launched from the West Bank against Israel, and little effect against determined aggressive intruders unless the fences are patrolled. But the forces needed to patrol them are busy guarding the settlements, particularly

¹⁰ Time Magazine, "Fencing Off Terrorists", Matt Reyes, September 3, 2002, <http://www.time.com/time/world/article/0,8599,260701,00.html>

¹¹ Yossi Alpher, Bitter Lemons, June 10, 2002, <http://www.bitterlemons.org/previous/bl100602ed21.html>

those located in the midst of large Palestinian population concentrations in Gaza and the West Bank heartland. Hence many of the grassroots advocates of fences, led by the Council for Peace and Security, insist that their construction be accompanied by unilateral withdrawal from these settlements, first and foremost in order to free up forces for a more orderly and efficient effort to protect Israel against suicide bombers. The fence would then be designed so as to comprise the settlement blocs located near the Green Line, thereby protecting some 70 percent of the settlers as well. While the public supports this idea, most of the political parties currently represented in the Knesset do not. Thus there is little likelihood that settlements will be dismantled in the near future, thereby somewhat limiting the military utility of the fence.

In this regard, it is important to note the example of the Gaza Strip. The Gaza-Israel border, some 45 kilometers long, has been fenced for around 10 years. Not a single suicide bomber has penetrated it into Israel. But the settlements located inside the Strip remain vulnerable to attack, and require large contingents of troops to patrol them....As for the ramifications for peace, some advocates of separation, like Labor's Haim Ramon, in effect seek to present the line delineated by the fencing of the Green Line together with the settlement blocs as a de facto political border. Others point out that, even after dismantling isolated settlements, Israel will hold onto the Jordan Valley for strategic security reasons, as well as Greater Jerusalem, which cannot be rationally "separated" by fences, pending final status negotiations in which all the land of the West Bank will be on the table. According to this position, unilateral withdrawal and the building of fences should not be confused with the drawing of borders. In any case, most advocates of separation now assert, convincingly, that Israel does not currently have a peace partner on the Palestinian side, and must therefore act unilaterally in accordance with its own needs.

It has been reported that aides to Defense Minister Binyamin Ben-Eliezer say he would prefer to build the fence right along the Green Line. But political problems involved in preserving the Likud-Labour coalition government have pushed Israeli planners to set the line of the planned fences inside the West Bank at several points. The entire barrier network — which includes a ditch, several roadways, concertina wire and surveillance cameras, as well as a 3 meters tall electric fence — will be at sensitive points about 40-50 meters wide. That means there would not be enough room to lay the network along the many parts of the Green Line where it divides three Arab towns. As a result, the people of Barta'a and Baka is-Sharqiyeh for example, which are Palestinian, will find themselves on the Israeli side of the fence. While most Israeli settlements in the West Bank will wind up within the barrier network, Israeli officials say they expect to accommodate some of the settlements very close to the Green Line, like Salit, by maneuvering the fence around them.

Some prominent Israelis who were in the past strong advocates of Israeli-Palestinian peace and of Palestinian statehood who now support separation present the following argument (presented here by Prof. Shlomo Avineri)¹²:

"Avineri cites the example of Cyprus which he described as "A non-solution, a de-facto division of the island which is not accepted as legitimate...but for thirty years people negotiate ...and nobody has been killed." Avineri argues that, along the 1967 Green Line, Israel should withdraw from 95% of the West Bank, giving the Palestinians contiguous territory. Israel would need to dismantle 20-30 of the isolated settlements and keep the clusters of settlements near the Green Line, he says, but Jerusalem would remain in Israeli hands. The untenable settlements in Gaza, he notes, would also have to be dismantled. The new Israel-Palestine border would become like the one with Syria, Avineri predicts: an internationally unrecognized line, but one over which no one is killed. This should be done unilaterally because "there is no point in negotiation," held Avineri.

Avineri believes that the border would be relatively quiet because the two peoples would not interact. Seeing the checkpoints, where the two peoples continuously interact in a confrontational manner, as the main contributor to the violence, Avineri argued that eliminating their omnipresence and thus daily mistreatment of the Palestinians would decrease the hate and thus the violence. "You have to disengage the populations," he says. To preserve the separation of the two peoples, Avineri argues against a crossing between Gaza and the West Bank. As he puts it, "Tough luck."

The new separation, Avineri maintains, should not include any kind of economic cooperation. Making the Palestinians economically independent, in his view would accomplish two things. First, it would remove the need for border-crossing checkpoints. Second, it would remove the reliance on Israel and give the Palestinians responsibility. "I want to force Arafat to be President of Palestine," he notes that when someone is given authority over people, s/he usually behaves more responsibly. "

Palestinian Positions on the Wall

The Following document has been prepared by the PLO's Negotiations Affairs Department:

ISRAEL'S UNILATERAL SEPARATION: BAD FENCES MAKE BAD NEIGHBORS¹³

FREQUENTLY ASKED QUESTIONS:

¹² The Middle East Institute Policy Brief, Edan Lichtenstein, November 8, 2001, <http://www.mideasti.org/html/b-lichtenstein110801.html>

¹³ PLO Negotiations Affairs Department, <http://www.nad-plo.org/eye/news47.html>

Israel has recently announced that it will isolate Palestinians from Israelis (both inside Israel and in the Occupied Palestinian Territories) by erecting walls and buffer zones in a plan styled unilateral separation.

1. What's wrong with Israel's unilateral separation and the construction of a wall?

The wall will **not** be built on Israel's border.^[1] Israel has already announced that it will build the wall to the east of Israel's border in the Occupied Palestinian Territories, thereby *de facto* annexing more Palestinian land. The strategy is to annex as much Palestinian land as possible while militarily caging in as many Palestinians as possible, all in an attempt to continue Israel's colonization and occupation of Palestinian land. At the same time, Israel will effectively isolate Palestinian population centers from one another,^[2] and restrict not only freedom of movement of individuals but also of goods and services, thereby worsening an already crippled Palestinian economy.

2. Where is Israel planning to build the wall?

Israel will build the wall east of Israel's 1967 border in Occupied Palestinian Territory, thereby *de facto* annexing more Palestinian land, in particular with respect to Occupied East Jerusalem.

Not only will Israel build a wall, Israel has also begun erecting militarily-enforced electrified fences around Palestinian controlled "Areas A" (consisting of approximately 17.2% of the West Bank divided into 13 separate non-contiguous ghettos). The wall, the fences and the new movement restrictions for Palestinians^[3] effectively cage Palestinians into Israeli-created ghettos or Bantustans.

Israel **is not** building the wall on the 1967 border. Israeli governments led by both Labor and Likud have repeatedly stated that Israel will not return to the pre-1967 border.^[4]

3. Isn't the wall necessary for Israel's security?

No. The wall is not protecting Israeli citizens inside Israel, it is instead protecting Israel's occupation, illegal colonies and ongoing colonization of Palestinian land. If Israel is truly interested in its security it will do one or both of the following: (1) withdraw completely from all of the territories it occupied in 1967 or (2) place additional security on its internationally-recognized border, rather than in the Occupied Palestinian Territories.

Israel has long had the formula for peace and security – end the occupation. In exchange for its complete withdrawal from Palestinian and other Arab land occupied in 1967, Israel will live in peace and in security. Despite the fact that peace and normalization were recently offered to Israel by the *entire Arab world* during the Arab League Summit of March 2002, Israel walked

away from this gesture, demonstrating that it prefers land and colonization to peace and security.

4. What is Israel really trying to do by building a wall?

Israel is attempting to annex parts of the Occupied Palestinian Territories by establishing militarily-enforced Palestinian ghettos corresponding to the Palestinian population centers, while continuing its illegal colonization policy. The walls will ensure that Palestinians are denied the ability to move, while Israeli settlers will be able to freely travel throughout the Occupied Palestinian Territories.

Unilateral separation and walls will also ensure that Occupied East Jerusalem is completely sealed off from the rest of the Occupied West Bank, in violation of international law, UN Resolutions and the stated policy of the United States.^[5]

5. Is Israel's unilateral separation legal under international law?

No. Unilateral separation violates the Fourth Geneva Convention, including the following **obligations which cannot be abrogated by invoking "military necessity"**:

- **Prohibition on the Use of Collective Punishment:**

No protected person may be punished for an offence he or she has not personally committed. Collective penalties and likewise all measures of intimidation or of terrorism are prohibited. (Fourth Geneva Convention, Article 33(1))

The wall will serve to divide the Occupied Palestinian Territories with movement from one area to another controlled entirely by the Israeli army, in effect punishing the entire Palestinian population. Jewish Israelis illegally living in the Occupied Palestinian Territories will, however, enjoy total freedom of movement.

- **Prohibition Against Annexation:**

Protected persons who are in occupied territory shall not be deprived, in any case or in any manner whatsoever, of the benefits of the present Convention by any change introduced, as the result of the occupation of a territory, into the institutions or government of the said territory, nor by any agreement concluded between the authorities of the occupied territories and the Occupying Power, nor by any annexation by the latter of the whole or part of the occupied territory. (Fourth Geneva Convention, Article 47)

Israel will *de facto* annex additional areas of the Occupied Palestinian Territories.

6. Is Israel's unilateral separation legal under the Oslo Agreements?

No, unilateral separation violates the Oslo Agreements.

Obligation to Preserve the Territorial Integrity of the Occupied Palestinian Territories:

*The two sides view the West Bank and the Gaza Strip as a **single territorial unit**, the integrity and status of which **will be preserved** during the interim period. (Interim Agreement, Chapter 2, Article XI)*

The construction of a wall within the Occupied Palestinian Territories violates the territorial integrity of the West Bank.

Prohibition Against Restricting Freedom of Movement:

Without derogating from Israel's security powers and responsibilities in accordance with this Agreement, movement of people, vehicles and goods in the West Bank, between cities, towns, villages and refugee camps, will be free and normal and shall not need to be effected through checkpoints or roadblocks. (Interim Agreement, Annex I, Article IX, para 2(a))

Israel's security powers, with respect to freedom of movement, extend only to prohibiting or limiting the entry into Israel of persons and of vehicles from the Occupied Palestinian Territories. Building a wall within the Occupied West Bank affects Palestinian freedom of movement not only into Israel, but also *within and throughout* the Occupied Palestinian Territories.

7. What is the international community doing to stop this?

Nothing that has had any effect. The Fourth Geneva Convention obliges the international community to ensure that the Convention, the primary purpose of which is to protect a population under occupation, is respected:

The High Contracting Parties undertake to respect and ensure respect for the present Convention in all circumstances. (Fourth Geneva Convention, Article 1)

Despite the fact that these actions are illegal under international law and the Oslo Agreements, the international community has not stopped Israel. The international community continues to teach Israel that it is above the law.

^[1] Aluf Benn, *PM okays Green Line border fence*, HA'ARETZ, June 4, 2002 at 1: "The major change was that the fence...would run **east** of a number of settlements on the seam, as well as east of the Palestinian settlements (sic) of Kfar Barta and Baka al Sharkia..."

^[2] See PLO, *Fact Sheet: Palestinian Movement Restrictions Highlight Israeli*

Apartheid, <http://www.nad-plo.org> Israel recently announced that Palestinians now need to obtain permits issued by the Israeli Army for travel between Palestinian cities within the Occupied West Bank. These permits, reminiscent of South African “passbooks,” effectively imprison Palestinians into ghettos.

[3] *Id.*

[4] Even the “left” leaders of Israel have stated that Israel will never abide by international law by returning to its 1967 border:

There must be physical separation from the Palestinians, with us being here and them being there, in accordance with four security red lines . . . We need peace and separation on the ground. Jerusalem will remain united under Israel's sovereignty forever. Period. Second, there will be no return to the 1967 borders on any account. Third, there will be no foreign army west of the Jordan River. Fourth, most of the Israeli settlers in Judea and Samaria will be clustered in large settlement blocs. ---Barak on Israel Television's Channel 1, December 27, 1998

Barak's 1998 separation plan is very similar to what he tried to impose at the Camp David peace talks in July 2000 (see PLO, *Frequently Asked Questions: Camp David Peace Proposal*, <http://www.nad-plo.org>) and what he later proposed in December 2001.

[5] For additional information, see PLO, *Fact Sheet: Gilo- Jewish “Neighborhood” or War Crime?*, <http://www.nad-plo.org>

Palestinian Warnings about the Wall (From the Palestinian Press)

Al-Quds Editorial: The walls will not achieve security to Israel! ¹⁴

Amid ceremonial measures, Israel started yesterday building the so called separating wall between Israel and the West Bank while Israeli Defense Minister Ben Eliezer who attended the ceremonies said the step constitutes a new phase of defending the citizens of Israel and that this wall does not constitute a political border in an attempt to calm the concerns of the extremists and settlers who said that Israel is drawing the political borders. Of course, the settlers consider all Palestinian lands in the West Bank and Gaza Strip as an indispensable part of the land of Israel.

Israel will be committing a grave mistake if it believes that it can keep the Palestinian people in ghettos and keep the occupation on the Palestinian lands.

The first phase of the “Security Wall” includes 101 KMS costing 400 millions NIS ¹⁵

¹⁴ Al Quds Newspaper, June 17, 2002, <http://www.jmcc.org/new/02/jun/fence.htm>

The PNA considered that start of the Israeli scheme to build a "security" wall along the Green Line as a dangerous matter that aims to keep occupation and implement a racial segregation plan. Minister of Local Government Saeb Erekat said this is dangerous and aims to consolidate occupation and settlements; the Israeli PM Sharon is thus implementing his so-called long-term interim phase plan on 42% of the land. He pointed that erecting a wall 101 km with 3km to 4km deep is part of the racial segregation that Sharon seeks to impose is worst than the Apartheid System that existed in South Africa. He continued: the first wall was to hold a siege on each town, village and camp and the second wall was the wall of the settlements and the surrounding areas while the third wall with its first phase implemented yesterday represents the racial segregation. Erekat affirmed that around 40,000 citizens in 11 Palestinian villages and concentrations would be inside the wall, such as the villages of Rumannah, Jaroushiyye, Baqa al-Sharqiyye, Aneen, Nazlat Issa, Abu Nar, and those people do not know to which side they will belong and this is extremely dangerous. He continued that at the time when the international community seeks to revive the peace process, Sharon is exerting all efforts to bury this process. The Israeli Army Minister Ben Eliezer ordered yesterday the launching of the construction of the wall along the Green Line with the West Bank under the pretext of preventing infiltrators from executing attacks against Israel. He inspected the first site of works near the Village of Salem, which is located to the west of Jenin. The works which will cost 400 million NIS (around \$80 million) will last six months and are expected to isolate the cities of Jenin, Tulkarem and Qalqilia from the 1948 lands. The first part of the wall is expected to extend 101 km from the north to the south until the village of Kufr Qasem, which is 20 km away from Tel Aviv. The wall will be equipped with electronic monitoring devices and will be reinforced with several blocs to prevent the passage of vehicles. The works started yesterday in an extremely sensitive area, which witnessed several infiltration operations. Amos Yaron, the General Director at the Israeli Army Ministry said the wall is expected to be electrified and equipped with monitoring devices and paths for patrols. However, Minister Yitzhak Levy, who is a right wing minister defending settlements, said the wall represents a political fence that might draw up real borders.

What Should The Real Peace Camp Say About Separation?

"Separation."¹⁵ On the surface the notion of "separation" seems to be an innocent security measure. It involves the construction of a massive "buffer

¹⁵ Al Hayat al Jadida Newspaper, June 17, 2002

¹⁶ Jeff Halper, Incarceration or Transfer: Sharon's Post-Incursion Plan, June 2, 2002, CounterPunch, <http://www.counterpunch.org/halper0601.html>

zone" extending along the "Green Line" some 10-20 kilometers into Palestinian territory, where Israel is currently erecting a formidable maze of concrete walls and barricades, trenches, canals, electrified and barbed-wire fences, bunkers, guard towers, surveillance cameras, security crossings and platforms. While it has its security side, the policy of separation is intended to delineate the areas of the West Bank that Israel wishes to claim. It eliminates forever the possibility that the thick corridor between the Ariel settlement bloc and Greater Jerusalem will be relinquished to the Palestinians, as Clinton's plan envisioned. It places the large settlements in the western part of the West Bank squarely (and irreversibly) within the de facto border created by the security installations including East Jerusalem, which is today being "isolated" from the wider West Bank. "Separation" is, in the end, a mechanism for annexation of about 15% of the West Bank under the guise of "security," effectively removing it as a subject of negotiation. The militarized "buffer zone" is only one component of a wider system of incorporation that includes the construction of the Trans-Israel Highway and the "by-pass" highways that link it to the settlements.

Geoffrey Aronson¹⁷, of the Foundation for Middle East Peace, a Washington based expert on Israeli settlement policy attacks the policy of unilateral separation stating the following:

Israel is building this fence, not in order to leave these territories but in order to stay in these territories. Sharon wants to pacify the security concerns of Israelis while retaining control over security and continuing settlements in these territories. That's a basic feature of all these many plans that are out there. Now, over time, who knows? There are many people in the center and the left of the Israel political sector who say "Ah, they're building a fence, a fence is a border, what they're doing is acknowledging the failure of the settlement movement over three decades to actually physically transform the border in a way in which reflects upon the de facto annexation of large amounts of Palestinian areas. If you want to see it in those terms, if you want to look on the bright side, depending on your point of view, you're welcome to. But Gaza has had a fence around it for quite some time, and this has not prevented the growth of Israeli settlements in Gaza at all, in fact, they've grown during the Oslo years. So a fence and a security border are not necessarily inconsistent with settlement expansion, nor is it inconsistent with Israeli security operations on the other side of the fence. We're really at the beginning of this process we'll have to see what happens.

Shlomo Gazit, a former head of military intelligence, makes the point in The Jerusalem Post of Aug. 21, that Israel would be better served if it negotiates the withdrawal of its settlements with the Palestinians within the context of

¹⁷ Foundation for Middle East Peace, Geoffrey Aronson, June 19, 2002, http://www.fmep.org/analysis/aronson_sharons_new_map.html

an overall agreement than by unilaterally evacuating some settlements. He says that the shift of settlers requires careful preparation which cannot be made if there is to be an early "unilateral separation". In the view of Gazit, separation is nothing but an illusion. The sooner we separate ourselves from it, the better.

Yoel Marcus, writing in Haaretz on the same day, calls the concept unilateral foolishness: In our present situation, there is no unilateral solution. We are among them, they are among us. And nothing will be solved without rapprochement, agreements and understandings between two neighbours who are destined to live side-by-side.

There is absolutely no reason to believe that Israel should expect Palestinian acceptance of the unilateral measures. There should be absolutely no reason to expect that Palestinians will surrender their struggle against the Israeli occupation as a result of the separation. Quite the opposite is what should be expected. The fences and the walls will increase Palestinian suffering. Poverty will grow, unemployment will deepen. The sense that the occupation is permanent will be enhanced by the continued presence of settlements and the Israeli army and intelligence forces in order to protect the settlements and settlers. Palestinian militants, frustrated by the new difficulties in entering Israel to attack civilian populations will gain wide Palestinian public support and perhaps increased international public support when they turn their wrath against the Israeli settlements.

I fear that the Israeli public, which today has little sympathy for the settlements and the settlers, will develop a strong sense of solidarity with them once the settlers and the settlements become the main target of Palestinian attacks and international political attacks against Israel in every international arena because of the settlement policy.

If Israel were to construct the fences and walls and at the same time withdraw from all of the settlements, even leaving a few blocks of settlements along the Green Line in about 2-4 percent of the territories, then we could say that perhaps we have what could be the basis for the eventual emergence of peace. But this is not the plan. Israel will continue the occupation and will continue to construct more settlements. The Palestinians might have a greater degree of freedom within Palestinian cordoned off areas, but these will be little more than sovereign cages. Palestinian movement between Palestinian areas will continue to be quite limited and Palestinian movement outside of Palestine will continue to be under the full control of Israel. There is no recipe for quiet here and it is amazing that so many so-called security experts can be hostages to their conceptions (or misconceptions). I am sure that some \$300 million down the road (the estimated expenses of building the walls and fences) and after many more casualties on both sides, the sides will come back to the only real viable solution to the conflict – real political separation together with economic cooperation and integration.

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Mossawa Center

The Arab Minority in Israel
Implications for the Middle East Conflict

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Introduction

This working paper presents background information on the Arab minority of Israel, and discusses the significance of the Arab minority in the resolution of the Middle East Conflict.

As citizens of the state of Israel, and part of the Palestinian people, the Arab minority is in a unique position to influence any future resolution. Currently, the Arab minority in Israel constitutes 19% of the total population of Israel, and also 19% of the Palestinian people.

The Arab minority in Israel has been marginalized politically, by both the Israeli and Palestinian sides. To this day, the Arab minority has not taken an active role in the Palestinian-Israeli negotiations, or in perpetuating the conflict. However, this group has already had a significant influence on the peace process, and has the potential both to support the peace process and to complicate the peace process.

The political significance of the Arab minority as an influence on Israeli politics is clear. From 1992-1995, the Arab minority's representatives in Knesset gave Yitzhak Rabin the majority necessary to continue with the Oslo process. In response to the killing of innocent civilians at Qana in Lebanon, nearly 30% of the Arab electorate boycotted the 1996 elections, leading to the defeat of Shimon Peres by Benjamin Netanyahu and the freezing of the peace process until 1999. In the 1999 elections, the Arab minority overwhelmingly supported Ehud Barak, and maintained that support throughout the negotiations. However, the killing of thirteen Arab citizens in October 2000, and the ongoing Israeli occupation, led the Arab minority to boycott the 2001 elections, changing the entire government with the election of Ariel Sharon.

This paper reviews the history of the Arab minority, reports on the legal, socio-economic and political status, and comments on relations between the Arab minority and the Jewish majority, the Israel government, and the rest of the Palestinian people.

On the basis of this review, this paper suggests recommendations for the future, looking to improve the situation of the Arab minority in Israel, to create a dialog between the Arab minority and Jewish majority in Israel, and to enable the Arab minority to use its unique position to contribute to the resolution of the Middle East Conflict, and to stabilize relations between the different nations and countries in the region.

This working paper was prepared as part of the regional discussion on the Middle East Conflict organized by the Center for European Policy Studies. Incorporating comments and conclusions drawn from this discussion, the Mossawa Center will develop this paper further and use it to suggest the inclusion of the Arab minority as an integral actor in the resolution of the regional conflict.

The Mossawa Center gratefully acknowledges the contribution of the Friedrich Ebert Foundation, whose generous support permitted the depth of research and cooperation that led to the development of this paper.

Historical Background

The Arab citizens of Israel are the descendants of the Palestinian Arab population that remained within the borders of Israel after the war of 1948. In 1948, the area that became Israel was inhabited by 900,000 Palestinian Arabs. After the war of 1948 and the establishment of the State of Israel, some 750,000 of this population fled or were expelled from the borders of Israel, becoming refugees in the neighboring Arab states. The 150,000 Palestinian Arabs who remained within the borders of Israel found that virtually overnight they had become a minority in the Jewish state.

Many Palestinian Arab villages were destroyed during the 1948 war. Approximately 25% of the remaining Arab population was displaced from their villages, becoming internal refugees. Additional transfers of land and people continued throughout the war, and continued in the years immediately after. The widely documented cases of Iqirith and Bir'em provide an example of this phenomenon. In November 1948, the residents of these two Christian villages on the border of Lebanon were asked to leave their homes temporarily while the Israeli forces pursued a military objective. After complying with the temporary order, the residents were not permitted to return, and their houses were subsequently demolished. Although the Israeli Supreme Court has ruled to restore the property to the residents of Iqirith and Bir'em, the decision has not yet been implemented. Additional transfers continued from 1948-1951, moving thousand of people were moved from villages such as Kufr Yasif, Hassas, Al-Jaouneh, Qatia, Al-Gabsiyeh, and Battat to become refugees in Arab countries across the Israeli border.

From 1949-1966, the Arab minority was governed by a military administration. This administration was carried over from the Emergency Regulations of 1945, enacted by the British Mandatory Government in response to Arab and Jewish rioting and underground activity at that time. The first Knesset voted to extend the emergency regulations in June 1949, and appointed three military governors in the Galilee, Triangle, and Negev. Under military rule, the Arab minority was restricted in terms of freedom of movement, freedom of property rights, and freedom of speech and political organization. These strict rules included regulations permitting the military governors to close areas and forbid exit and entry without permission, to enact curfews, to detain individuals, to place individuals under military supervision, to place individuals under house arrest of undetermined length, to seize property, and to deport someone out of the country without appeal to a civil court.

One of the most publicized incidents of the military rule occurred in 1956, when 49 residents of Kufr Kassem were killed by the Israeli border police for violation of the curfew. The majority of the killed and injured were farmers returning from their fields in the evening, who had not been informed of the curfew. Historians postulate that this massacre may have been an attempt to transfer residents of the Triangle area across the border, using the international focus on the Suez-Sinai War as a cover.

The military government kept the Arab citizens under close control, and suppressed the development of political and social organizations. During the years of military rule, the Israeli government organized a massive campaign of land expropriation. Villages that had been destroyed in the 1948 war were classified as military areas under government jurisdiction. In addition, landowners who were displaced from

their villages were disqualified from claiming their lands by the Absentee Property Law of 1950. The Israeli government used the Absentee Property Law and other legislative programs such as the Israel Lands Administration Law (1960), the National Planning and Building Law (1965) and the Agricultural Settlement (Restrictions on the Use of Agricultural Land and Water) Law (1967) to expropriate Arab land in order to use it for Jewish settlement, agriculture, and industry. From 1948-1975, over 800,000 dunams were taken from Arab citizens and used for the creation of sixty new Jewish villages.

Although military rule was lifted in 1966, residual fear of the Israeli government kept the Arab minority in silence and submission for some years after. The first expression of community protest was in 1976, when thousands of Arab citizens demonstrated in Sakhnin to protest land expropriations. In the violent clashes that ensued, Israeli security forces killed six Arab citizens. The event is now memorialized annually as Land Day, and marks the emergence of the Arab minority out of submission and into a national identity.

The Israel-Lebanon War began in 1982, and changed the Palestinian identity from oppressed refugee to empowered freedom fighter. The identity of Arabs in Israel began to shift towards increased solidarity with the Palestinian struggle, and many Arabs in Israel joined the PLO to support their revolutionary activities. This continued throughout the intifada years from 1987-1993. The signing of the Oslo Accords in 1993 marked a significant change in the Arab citizens' relations with the Palestinians and with the Israeli government. The hope of peace shifted the Arab citizens' focus to the pursuit of an agenda for equal rights and full citizenship in Israel.

At the beginning of the Al-Aqsa intifada, Palestinians in Israel took to the streets in demonstrations of solidarity. These demonstrations were met with high levels of force by the Israeli security forces, resulting in the deaths of thirteen Arab citizens. The tragic events of October 2000 increased tensions between Arabs and Jews within Israel, threatening to complicate the Palestinian-Israeli conflict with internal clashes.

Socio-Economic Situation

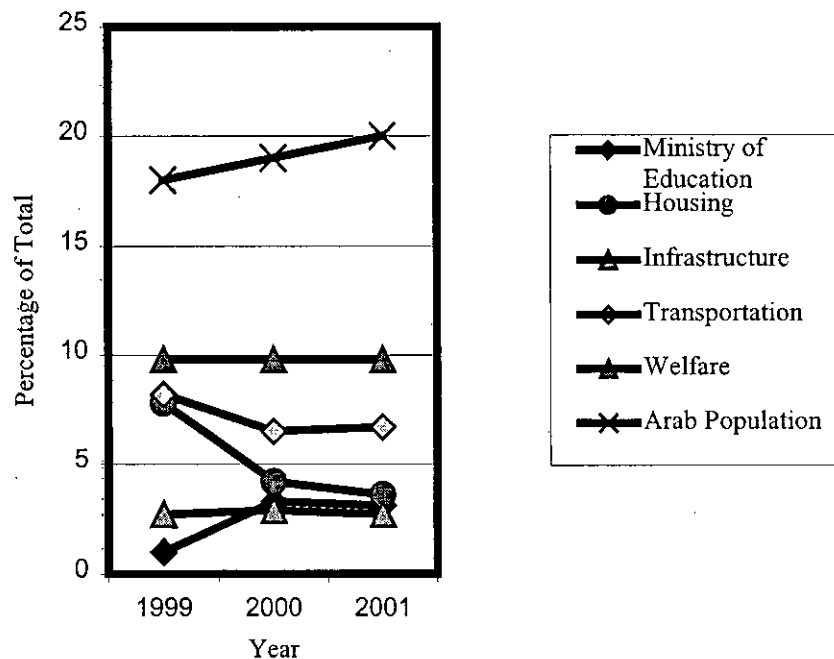
While Israel has become a developed country with an advanced industrial economy and a high standard of living, the Arab sector has not been fully included in the country's overall development. Inequality in allocations for infrastructures and development has led to widespread under-development. Nowhere is under-development and poverty as extreme as in the unrecognized villages in the Negev and North of Israel. Insufficient support for the Arab educational system has resulted in lower levels of educational achievement and professional training. As a result, the Arab labor force is highly concentrated in lower-paying employment. Although the Israeli government has officially recognized the significant gaps in socio-economic levels between the Arab and Jewish populations, programs to address these gaps have been largely symbolic in nature.

Infrastructures and Development

The majority of the Arab population in Israel lives in Arab towns and villages, separate from the Jewish urban areas in the center of the country. 71% of the Arab population lives in Arab towns and villages, with the highest concentration (46%) in the Western Galilee. Each town or village is administrated by an elected Local Council, which is responsible for public education, health and welfare services, public transportation and roads maintenance, as well as agricultural and industrial development, and environmental protection. Local Councils are funded by budgets from governmental ministries as well as the collection of municipal taxes.

While the Arab population represents nearly 20% of the total population of Israel, governmental ministries regularly allocate less than 10% of their budgets to the Arab population. As shown in Chart 1, the Ministry of Welfare allocated 9.8% of the budget to the Arab population, and the Ministry of Education allocated 3.1%. This structural discrimination, coupled with ineffective tax collection, has led to widespread lack of development in the Arab Local Councils, including insufficient educational facilities, insufficient public transportation, outdated sewer and water infrastructures, and low levels of industry. According to analysis by Mossawa Center economist Amin Fares, the Arab Local Councils are currently running a deficit of 15 billion NIS.

Chart 1: Budget Allocations to the Arab Population by Government Ministry



Source: Budget Proposal for Fiscal Year 2001: Government of Israel, 2000.

The percentage of ministry budgets received by the Arab population may change significantly this year, in accordance with the Development Plan for the North. The intention of the Development Plan is to increase development budgets for the Arab sector by one billion shekel a year, over the course of four years. Critics of the Development Plan point out that the program is somewhat arbitrary, as the sum for allocation was decided on first, and then the responsibility for allocating budgets was split between the different governmental ministries. Further criticism reveals a delay in implementation, as the Development Plan for the North was originally authorized in November 2000, and the increased budgets were not included in the State Budget for 2001. However, analysis of the State Budget for 2002 shows that higher budgets have been slated for the Arab sector from many of the ministries. By the end of 2002, it will be possible to evaluate how many of these promised budgets were actually transferred and translated into actual development projects.

Work and Employment

Unemployment and low levels of employment are serious issues for the Arab population in Israel. According to the Central Bureau of Statistics, 12% of the Arab workforce was unemployed in 2000, in comparison to 7.6% of the Jewish workforce. In the past two years of the conflict, unemployment has risen to 10.3% for all of Israel. Amin Fares finds that unemployment is even more severe in the Arab sector than reported by the CBS figures, and estimates that close to 20% of the Arab workforce are currently unemployed, as many Arabs have lost employment in the Jewish sector due to distrust and prejudice.

The Arab sector is largely concentrated in lower-paying occupations than the Jewish sector. The highest concentration of Arab labor is in building (23%), while the

highest concentration of Jewish labor is in industry (26%). This concentration is reflected in earnings, as the average monthly salary in the Arab sector is 4472 NIS (approximately 1000 Euro), less than 60% of the average Jewish salary. A similar gap exists in other sources of income. Income per person in the Arab sector is of 40% of the total income per person in the Jewish sector.

When considering employment, it is also important to note that the Arab population has a lower level of participation in the workforce than the Jewish population. In 2000, only 40% of Arabs of working age (15 years and older) participated in the workforce, compared to 60% of Jewish of working age. This difference is largely due to the low level of participation of Arab females. While an average of 53% of Jewish females participate in the workforce, only 15% of Arab females participate. However, these numbers do not include the Arab females who are involved in the unofficial workforce, including seasonal agriculture, care-giving for children and elderly, and house cleaning.

Socio-Economic Level

Unemployment and low-paying employment have led to high levels of poverty in the Arab sector. The Central Bureau of Statistics (CBS) regularly assesses the socio-economic level of Local Councils in Israel, based on several factors including demographics, levels of education, revenues and income, and governmental subsidies. Based on these factors, the CBS classifies Local Councils into 10 socio-economic levels, with 1 representing the lowest level, and 10 representing the highest.

As shown in Table 1, the Arab Local Councils are grouped at the bottom of the socio-economic levels, while the Jewish Local Councils are grouped with the majority in the middle levels, and equal distribution at the low and high ends of the scale. Arab localities account for 70% of the localities in the lowest four levels (1-4), while Jewish localities account for 94% of the localities in the middle three levels (5-7), and 100% of the localities in the top three levels (8-10).

Table 1: Arab and Jewish Local Councils by Socio-Economic Level

Socio-Economic Level	Total Localities	Arab Localities	Jewish Localities
1	10	9	1
2	37	32	5
3	31	22	9
4	30	13	17
5	31	3	28
6	17	1	16
7	19	0	19
8	25	0	25
9	9	0	9
10	3	0	3

Source: Fares, Amin. Ranking of the Arab Local Councils By Socio-Economic Status. Mossawa Center, Haifa: March 2002.

The Unrecognized Villages

Poverty, unemployment, and under-development are common throughout the Arab sector. However, under-development is especially extreme in the unrecognized villages. These Bedouin villages have been in existence since before the establishment of the state of Israel, but have not been officially recognized by the government. This disqualifies them from all municipal services, including electricity, sewer systems, health clinics, public transportation and roads.

There are currently forty-six unrecognized villages in the Negev and the North of Israel. In the past years, eight of the unrecognized villages located in the North were officially recognized by the government. Although this change in status permits the villages to receive municipal services, the government has been slow to implement connection.

The unrecognized and newly recognized villages suffer from a lack of basic development infrastructures, including connection to electricity, running water, health clinics, and access roads. These conditions have a negative impact on health. Infant mortality rates in the unrecognized villages are 12.1 per 1000 live births. 50% of the children living in the unrecognized villages are hospitalized during the first year of their lives.

Some villages run electric generators, but these are sufficient for lighting purposes only. In the summer, temperatures in the tin-roofed shacks run as high as 55C, exposing children to overheating and dehydration. In the winter, children and elderly are susceptible to illness due to cold, and many children suffer burns from heating fires. Lack of running water poses additional health problems, as many unrecognized and newly recognized villages rely on often dry and sometimes contaminated sources of water. Lack of sewer systems contaminates the local water supply, leading to outbreaks of jaundice and diarrhea among the children. Some villages collect rainwater, and many villages transport water from nearby localities, resulting in occasional water shortages and the logistical difficulties of transportation. Health problems in these villages are complicated by the lack of local health clinics serving the population.

Child Poverty

Approximately one-half of Arab children in Israel live under the poverty line. For poor children whose parents are unemployed or employed in low-paying positions, a major source of support comes from monthly child allowances allocated to all Israeli children through the National Insurance Institute. However, child allowances to Arab children are currently being cut by 24%, in accordance with an emergency economic package passed by the Knesset earlier this summer. The economic package authorized a 4% cut for all Israeli children, and an additional 20% cut for children whose parents did not serve in the army. As Arabs are legally exempt from serving in the army, this measure primarily targets Arab children to bear the brunt of the budget cut. According to a report prepared by the National Insurance Institute research center, this cut will increase child poverty in Israel by 25%. Mossawa Center economist Amin Fares estimates that in 2003, the effects of the budget cut will increase the number of Arab children living under the poverty line to nearly 70%.

Education

In Israel, Arabs and Jews attend parallel school systems with different curricula, languages of study, school hours, and quality of education. Inequality in governmental support for the public education in the Arab sector have led to classroom shortages, a higher level of unqualified teachers, insufficient educational and guidance counselors, and lack of supplemental facilities such as libraries, science labs, and computer rooms. The average class size in the Arab sector is 30, with fewer teachers and fewer classroom hours per child than in the Jewish sector. The Ministry of Education estimates that as many as 36% of Arab classrooms are unfit for study.

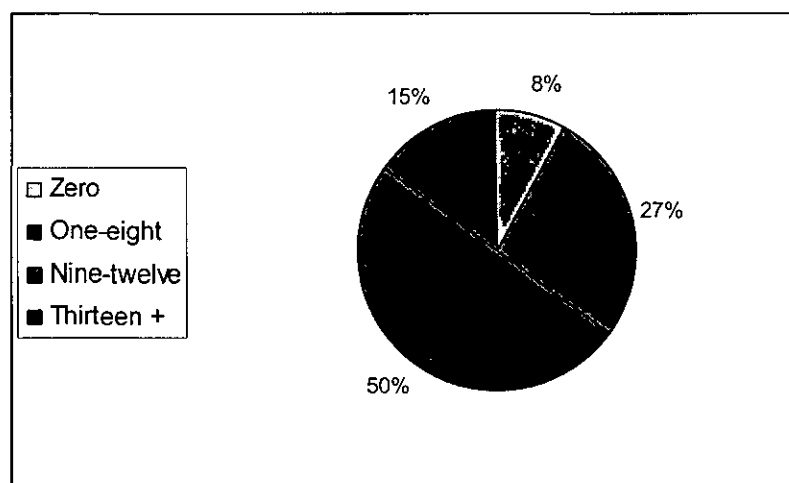
Table 2: Academic Success of Arab and Jewish Students

	Arab	Jewish
Drop-out rates by age 17	31.7%	10.4%
Bagrut pass rates	27.5%	45.6%
Qualification rate for university admission	18.4%	40.4%
University applicants who were rejected	44.7%	16.7%

Source: Second Class: Discrimination Against Palestinian Arab Children in Israel's Schools. Human Rights Watch, New York: September 2001.

Inequality of support for Arab education has resulted in gaps in performance between Arab and Jewish students. As shown in Table 2, Arab students have higher drop out rates, lower passing rates in the qualifying *Bagrut* exams, and a lower rate of acceptance to universities than Jewish students. The numbers shown in Table 2 are all for students age 17.

Chart 2: Years of School in the Arab Population



Source: Central Bureau of Statistics. The Arab Population in Israel. Jerusalem, July 2002.

As shown in Chart 2, the majority of Arab citizens in Israel have at least a high-school education. However, 35% of Arab citizens do not make it to high school, and 8% do not have any formal education at all. The majority of this 8% are women, as the patriarchal culture regards women's education as a second priority.

Legal Status

The formal legal status of the Arab citizens of Israel has always been unclear, in a large part due to the double definition of the state as both Jewish and democratic. Although one in every five Israeli citizens is a Palestinian Arab, the Israeli government has yet to recognize this group as a national minority. Instead, the government refers to the Arab minority as "non-Jews", or generally as "minorities". The tensions between the Jewish and democratic aspects of the state have existed since the Proclamation of Independence, which simultaneously declared the historic right of the Jewish people to Israel as a homeland and called upon the Arab inhabitants of Israel to "participate in the upbuilding of the State on the basis of full and equal citizenship."

The double definition of the state as both Jewish and democratic is problematic. Many theorists argue that these definitions are mutually exclusive, and point out that neither definition has been fully realized. For while Israel is defined as the Jewish state, the defining culture of Israel is secular, and the political and legal systems are largely independent of Jewish tradition. Judaism has come to play a symbolic role in Israel, expressed in the national holidays, in the flag and other national symbols, and terms of demographics. At the same time, Israel cannot be understood as a complete democracy. Despite the electoral system of proportional representation, the Arab minority in Israel has never gained "full and equal citizenship", and a complete democracy requires equal rights for all of its citizens.

As Israel does not have a formal constitution, there is no legal guarantee for equality in civil rights. The most commonly quoted section of the Proclamation of Independence states that the State of Israel "will foster the development of the country for the benefit of all its inhabitants; it will be based on freedom, justice and peace as envisaged by the prophets of Israel; it will ensure complete equality of social and political rights to all its inhabitants irrespective of religion, race or sex; it will guarantee freedom of religion, conscience, language, education and culture..." However, the Proclamation of Independence is not considered a constitutional document, so these elegant sentiments cannot be used as a legal instrument.

Although the authors of the Proclamation of Independence intended Israel to develop a formal constitution, the Provisional Government and the First Knesset were not able to complete this task. In place of a complete constitution, the Knesset started to draft and legislate a series of Basic Laws. The assumption has been that the Basic Laws, when completed, would serve as Israel's constitution.

To this day, there are eleven Basic Laws. The first nine cover the subjects of the Knesset, Israel Lands, the President, the State Economy, the Army, Jerusalem the Capital of Israel, the Judiciary, the State Comptroller, and the Government. The most recent Basic Laws, covering Human Dignity and Freedom, and Freedom of Occupation, are the first Basic Laws to address the issues of human rights and equality. Although falling short of a full Bill of Rights, these laws have been recognized by the Supreme Court of Israel as taking precedence over other legislations. Further Basic Laws covering the subject of human rights, including a Basic Law on Social Rights, have been tabled annually due to opposition from the religious parties. To date, there is no Basic Law guaranteeing equality for all citizens without discrimination on the basis of religion or ethnicity.

The absence of constitutional equality for the Arab minority and the fundamental definition of the state as Jewish have permitted a system of structural and institutional discrimination against the Arab citizens of Israel. At least twenty Israeli laws discriminate against the Arab minority, either by excluding the Arab minority while providing specific rights to the Jewish population, according different rights to different sectors of the population, or by abridging the rights of the Arab minority. These discriminatory laws touch on all aspects of life, including laws restricting immigration and citizenship, several legislations expropriating land and restricting land use and ownership, quasi-governmental status given to solely Jewish bodies such as the Jewish Agency and the World Zionist Organization, laws designating Jewish symbols and national holidays, as well as laws mandating separate and unequal educational and cultural systems.

When asked to explain these discriminatory laws, legislators tend to deny that any discrimination exists. A common response compares the living conditions of Arab citizens of Israel to the living conditions in neighboring countries, and insists that the Arab citizens of Israel should be grateful. Another response questions the loyalty of the Arab minority to the state, and states that second-class treatment is all that a potential fifth column should expect. Another common response uses the Arab citizens' exemption from army service as a justification for discrimination. All of these responses demonstrate the contradiction between the definition of the state as Jewish and as a democracy. As long as the Jewish character of the state dominates over the need for democratic equality, the legal status of the Arab citizens will be not be secure.

Due to the intensified climate of conflict and occupation of the past two years, the legal status of the Arab citizens of Israel has come under severe attack. In the past year, several legislative proposals were submitted which would retract and limit the rights of the Arab minority in numerous ways: a bill proposal that would enable state land to be apportioned for Jewish use only, a bill proposal to eject Bedouin villagers off of farmlands that the government claims as state land, a bill proposal that would exclude Arabs from participating in national referendums, a bill proposal that would deny citizenship to the spouses of Arab citizens, and a bill proposal to legalize the physical transfer of Arabs from Israel to the West Bank or to Gaza. All of these legislative proposals have been submitted to the Knesset, and are currently in various stages of debate by the full plenum or in committee.

Of all the legislative proposals, the most alarming have to do with population transfer, the idea of physically moving the Arab population to neighboring Arab countries. In July 2001, MK Michael Kleiner (Herut) proposed a law to encourage Arab citizens to move to neighboring countries. In September 2001, Minister of Infrastructures Avigdor Lieberman (Yisrael Beitenu) proposed a move of Arabs from Israel into the territories. In December 2001, MK Benjamin Elon (Moledet) published an article recommending a program of increasingly discriminatory laws, in order to make life in Israel difficult, and to induce the emigration of Arab citizens.

Although many political parties denounce the idea of transfer as both unethical and unrealistic, transfer has nevertheless become a common concept in the political debate, and is gaining credence in Israeli public opinion, and is increasingly proposed as a solution by various right-wing parties. According to the Jaffee Center for Strategic

Studies annual national security poll, 46% of Israel's Jewish citizens favor transferring Palestinians out of the territories, and 31% favor transferring Arab citizens out of the country.

The growing acceptance of intense racism in the legal, political, and public arenas demonstrates the extent to which Israel has departed from the "full and equal citizenship" for all inhabitants, as pledged by the Proclamation of Independence. In the past ten years, the Arab minority has developed strong methods of legal and legislative advocacy. Several Supreme Court cases have been won, creating legal precedents guaranteeing some language, education, and religious rights. Despite the importance of these landmark decisions, the absence of actual and constitutionally mandated equality will continue to permit fundamental threats to the legal status of the Arab citizens of Israel.

Political Participation

History of Participation in the Knesset

In the years immediately following the establishment of the state of Israel, the Arab population was repressed and restricted to the point of having virtually no political power. Effectively, the population was in shock. The 1948 War had caused the emigration of most of the political leaders and intellectuals, damaging the foundations of social organizations and political movements. As the population started to rebuild these foundations, the military government's strict regulations blocked the formation of new political parties.

Al-Ard, or The Land, was the first Arab nationalist movement to develop in Israel. Founded in 1959, the Al-Ard Movement called for equal rights for all citizens, the end of discrimination on the basis of ethnicity, and recognition of the UN partition plan. However, Al-Ard was quickly labeled an illegal organization, resulting in the closing of its newspaper, and the physical relocation of many of its leaders out of their home villages.

From 1948 until the end of military rule, Arab politics in Israel was dominated by Arab lists which were appointed and sponsored by Mapai and by the Jewish-Arab Communist Party. Mapai developed these lists on the basis of family leadership, clans, and personal favors. In exchange for political appointments and other favors, the Arab lists were responsible for raising Arab support of Mapai. Although the Arab lists resulted in Arab MKs, these were largely token figures, with minimal political power and clout on behalf of the Arab population.

The Jewish and Arab Democratic Front for Peace and Equality was the main political force in the Arab sector during the 1970s. In the tradition of the Communist Party, the DFPE established several "front" organizations, including the National Committee of Heads of Arab Local Councils, the National Union of Arab Students, and the Supreme Follow-up Committee for Arab Citizens. During this time, the Labor and other left parties decided to include Arabs in the party, and increased their hold in the Arab population.

From 1977-1992, the Arab population chose to vote for Labor and other parties on the left rather than for the DFPE, in order to gain seats in the government and support the opposition to the Likud administration. Although under the sponsorship of the Jewish left, the Arab members began to draw up their own lists within the parties. At the same time, the DFPE was changing from a primarily Communist party, and becoming more of an Arab nationalist party. This started a period of Arab nationalism within the Arab population, and the creation of several Arab parties within the framework of the Israeli political system.

Representation in the Knesset

Of the 120 seats in the Knesset, 14 are currently held by Arabs. Of these seats, 10 are held by representatives from the Arab parties and the Jewish-Arab DFPE, and 4 by Arab representatives in the Jewish parties Labor, Likud, and Meretz.

The Arab parties currently represented in Knesset are:

- **Democratic Front for Peace and Equality**
(Arabic – *Jabha*, Hebrew – *Hadash*)
3 seats: Muhammad Barrakeh, Issam Makhoul, and Tamar Gozhansky.
The DFPE's platform focuses on improving the status of disadvantaged Israelis, the formation of a democratic and secular constitution, and the extension of full rights to Arab citizens and women.
- **National Democratic Alliance**
(Arabic – *Tajamua*, Hebrew – *Balad*)
1 seat: Azmi Bishara
The NDA demands that Israel become a democratic state for all of its citizens, rather than focus on the Jewish definition of the state.
- **Arab Movement for Change**
(Arabic – *Al-Harak Al-Arabie L'Tagier*, Hebrew – *Ta'al*)
1 seat: Ahmad Tibi
- **United Arab List**
(Arabic – *Al-Kaimeh Al-Arabie Al-Mowahadeh*, Hebrew – *Ra'am*)
3 seats: Abdulmalik Dehamshe, Talab El-Sana, Hashem Mahameed
- **National Arab Party**
(Arabic – *Al-Hizb Al-Watani Al-Arabie*)
2 seats: Tawfik Khatib, Muhammad Kanaan

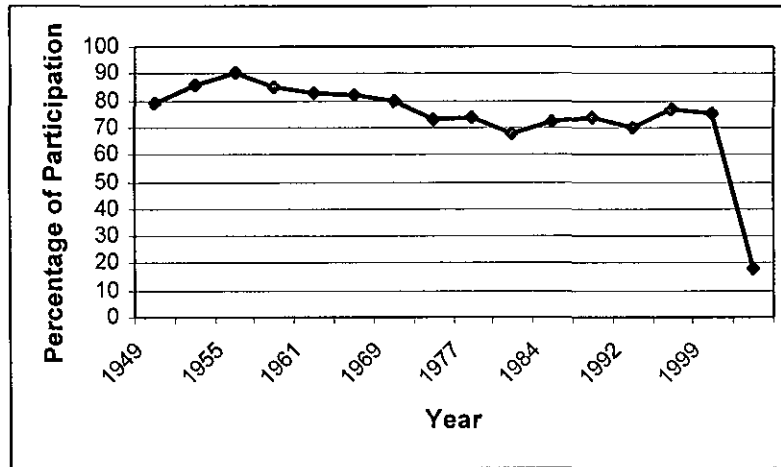
Although the Arab parties hold 1/12 of the Knesset seats, the Arab minority has never held significant decision making power in the Knesset. This is due both to the Jewish parties' dismissal of the Arab parties as members of the coalition government, and to the lack of unity and fragmentation between the Arab parties themselves.

Dismissal of the Arab parties is expressed in several forms. The Likud and right-wing parties almost completely refuse to create political alliances with the Arab parties, and would not consider including Arab parties as members of a government coalition. Meanwhile, the Labor and left-wing parties have taken the support of the Arab parties for granted, and do not feel an urgency to reward this support with real power or change towards equality. In addition, the Labor and left-wing parties are fearful of being stigmatized by the right-wing for bringing Arab parties into the coalition government.

The 1999 elections were a salient example of this left-wing attitude. When Azmi Bishara (National Democratic Alliance) pulled out of the race for prime minister, he called on all of his supporters to vote for Ehud Barak (One Israel-Labor Party). Arab votes accounted for 400,000 of Barak's votes, and Barak won by a margin of 350,000. However, when Barak formed his coalition government, he chose to include parties such as Shas, that had opposed him in the elections, rather than to include the Arab parties. This was interpreted as a political betrayal by the Arab minority, and contributed to the decision to boycott the prime ministerial elections in 2001. Over

80% of the Arab electorate boycotted the elections, resulting in the defeat of Ehud Barak and the election of current prime minister Ariel Sharon.

Chart 3: The Arab Electorate's Participation in the Elections 1955-2001



Source: Nir, Uri. "Special Report Elections 2001." Haaretz 2 Feb 2001.

In addition to discrimination on the part of the Jewish parties, the Arab parties' political power is further diminished by the lack of cooperation between the Arab parties themselves. Rather than join forces to run on a United Arab List, the Arab parties are characterized by competition, with each party catering to different segments of the Arab minority along class, religious, ethnic, and regional lines. While ultra-Orthodox parties with a comparable number of Knesset seats use their swing votes to gain a powerful lobby, the disunity of the Arab parties has divided their potential strength into politically weak fragments.

Political Delegitimization and the 2003 Elections

The current climate in the Knesset reflects the escalating tensions between Arabs and Jews within Israel. The general atmosphere has become intolerant, permitting a growing trend of laws that seek to affect the political legitimacy of the Arab minority. In the past two years, several laws have been passed that limit and restrict the Arab minority's freedom of speech and political organization. Changes in the Party Law forbid political parties to express support for resistance against the occupation, and may result in attempts to disqualify one or more Arab parties from participating in the upcoming national elections.

The growing trend of anti-democratic legislation may affect the Arab minority's decision to boycott the next election, in turn affecting the composition of the next coalition government and the chances for a return to negotiations.

Relations Between Palestinians in Israel and the West Bank/ Gaza

The 1948 War, known to Jewish Israelis as the War of Independence, is known to the Palestinians as El-Nakba, the Catastrophe. Indeed, the 1948 War was a catastrophe for the Palestinian Arabs. Over 80% of the Palestinian Arab population fled or was forcibly expelled from the borders of the new state of Israel. The remaining Palestinian Arabs were mostly rural villagers, many of whom were displaced from their destroyed homes and villages to become internal refugees.

During the years from 1948-1967, there was minimal contact between the Arab population within Israel, and the Palestinians in the West Bank and Gaza. Although the Arabs within Israel were issued Israeli citizenship, their rights were strictly limited through the regulations of the military government. Freedom of movement was restricted even within the borders of Israel, let alone across enemy borders. Military rule ended in 1966, one year before the 1967 War and Israel's annexation of the West Bank and East Jerusalem from Transjordan.

The 1967 War reconnected the parts of the Palestinian people living in Israel and living in the West Bank and East Jerusalem. Although the Arabs in Israel opposed the Israeli annexation and occupation of these territories, the erasure of the border created opportunities for family reunifications, exchanges of labor and goods, studying at Arabic universities in the West Bank, and other social, cultural, and economic exchanges. Israel's annexation of the Gaza Strip in 1972 created similar opportunities for the Arabs living in the Negev and the Palestinians in Gaza.

Over the years the extent of contact and exchanges between the Palestinians in Israel and the West Bank and Gaza developed to include many aspects. Thousands of Palestinians from the West Bank and Gaza were permitted to work in Israel, creating a pool of low-wage laborers and improving the economic situation in the territories. Arabs in Israel went to the West Bank for low-priced shopping and restaurants. Marriages were arranged between couples from either side of the border, and families assumed that they would be able to visit one another regularly. Many students from Israel chose to study at universities in the West Bank and Gaza, due to the absence of Arabic universities within Israel. These multi-faceted contacts built a relationship between the Arabs in Israel and the Palestinians in the West Bank and Gaza, despite their historical differences and the intense disparity in their standards of living.

The first intifada erupted in December 1987. Characterized by massive popular resistance in the form of strikes, boycotts, and stone-throwing, the intifada galvanized the Palestinian people. The ongoing resistance and steadfastness created an empowered national identity, and brought the Palestinian issue to the forefront of international awareness. As the intifada continued, the Arabs in Israel used their position as Israeli citizens to support the Palestinians in the West Bank and Gaza with demonstrations of solidarity, representing Palestinian perspectives within Israel, and sending food, medicines, and funds as humanitarian aid. These efforts were largely organized by the Arab political parties within Israel, most notably the Democratic Front for Peace and Equality, which organized joint Jewish-Arab demonstrations to protest the closures.

The signing of the Oslo accords in 1993 sent a message to the world of the eventuality of an independent Palestinian state. This created a dilemma for the Arab minority in Israel. Although supportive of the peace process and the right for Palestinian self-determination, the Arabs in Israel saw their own future as equal citizens of Israel, and not as citizens in the Palestinian state. The Oslo accords actually strengthened the drive for recognition as a national minority, and for equal rights, budget allocations, and treatment under the law.

When Yasser Arafat and the PLO leadership came to the Palestinian territories in 1994, the stage was set for establishing formal political relations between the Arab leadership in Israel and the Palestinian Authority. These relations have included exchanging political assessments and analysis, presenting and supporting Palestinian perspectives within Israel, and lobbying on behalf of the Palestinian cause within the Knesset. The PLO's formal recognition of the Supreme Follow-up Committee for Arab Citizens as a legitimate representative reflected the general consensus within the Arab minority of Israel of political independence from the Palestinian Authority, especially regarding the political agenda of equal rights within Israel.

During the late 1990s, the political leadership of the Arab minority in Israel also succeeded in building relations with neighboring Arab countries. Large delegations of Arab citizens of Israel visited King Hussein of Jordan in 1998, 1999, and 2000, and similar delegations met with former Syrian president Hafez Assad and current president Bashar Assad. These visits were particularly significant, as the delegations included Arab members of Knesset, which Arab nations had previously refused to meet, viewing them as collaborators. Normalization with Israel remains an intensely debated issue in the Arab world. Despite the links that the Arab minority has established with Arab countries, the Arab minority in Israel is still largely viewed with suspicion and distrust.

The Al-Aqsa intifada broke out in October 2000, expressing years of frustration over the failure of the Oslo accords to make real changes for the Palestinian people. Israeli security forces reacted with intense displays of force, creating a cycle of retaliation with the Palestinians in the Palestinian Authority. Arabs in Israel took to the streets in demonstrations of solidarity, and the National Committee for Arab Citizens declared a general strike. These demonstrations were also met with high levels of force by the Israeli security forces, and thirteen Arab citizens were killed by rubber bullets and live ammunition used to control the demonstrators.

As in the first intifada, the Arabs in Israel organized humanitarian aid for Palestinians in the West Bank and Gaza, setting up collection points for food, clothing, and medical supplies in Arab villages throughout Israel. These shipments of aid were then transported by truck and car to the border, and met by contacts on the other side. Due to physical proximity, many of the humanitarian shipments from Israel were able to reach the Palestinians in the West Bank even when international humanitarian aid was blocked at the border.

The Al-Aqsa intifada has re-opened questions about the identity and loyalties of the Arabs in Israel. For many Arab citizens of Israel, the violent events of October 2000 were a turning point towards the realization that Israel will always see them as an

unwelcome population and a security threat, rather than as equal citizens. The killing of the thirteen citizens is seen as proof of the government's discrimination against the Arab minority, and as a violation of human rights.

The community's overwhelming response has been to protest this discrimination through the official channels in the framework of the Israeli government, including the establishment of a commission of inquiry, organizing a massive boycott of the prime ministerial elections, and advocacy with international bodies requesting intervention. The intense feeling of betrayal by the Israeli government has also increased sympathy and identification with the Palestinian struggle for independence.

Relations Between Arabs and Jews Within Israel

The most salient feature of relations between Arabs and Jews within Israel may be their separation. Arabs and Jews are separated by location, by cultural differences and lifestyles, by language, by education, by employment and by occupation.

For the most part, Arabs and Jews live in different parts of the country. Arabs are concentrated in smaller towns and villages in the Galilee and the Negev, while Jews are concentrated in larger cities and suburban areas in the center of the country. These towns and cities are largely homogenous. Only a few cities in Israel are considered "mixed cities", a term describing an urban area with a significant minority of Arabs, such as Jerusalem, Haifa, and Lod. However, separation is still a factor even in these so-called mixed cities, where Arab and Jewish residents live in ethnically homogenous neighborhoods and have little interaction with members of the other ethnicity.

Cultural differences and language create another element of distance. While Jews celebrate the nationally-recognized Jewish holidays of Rosh Hashanah and Yom Kippur, Shavuot, Sukkot, and Pesach, Arabs are observing the Christian and Muslim holidays of Easter, Christmas, and Ramadan, which are not officially recognized by the state. The most frequent difference is noticeable on weekends, as Muslims work a half-day to observe the holy day on Friday, shops and streets are closed in Jewish cities to recognize the Jewish Sabbath, and Christians observe the Sabbath on Sunday.

The responsibility of breaking the language barrier has been placed on the Arab minority for the most part. Although Israel recognizes both Hebrew and Arabic as official national languages, public life in Israel is in Hebrew. Government offices and publications are published in Hebrew, road signs often exclude Arabic, business and commerce is conducted almost solely in Hebrew.

The language difference is reinforced by separate and parallel school systems. Arab students are taught the major subjects in Arabic, with extensive Hebrew requirements for graduation, matriculation, and acceptance to university. Matriculation exams and university study are in Hebrew only, as there is no Arabic university in Israel. Meanwhile, Jewish students learn in Hebrew, with a minimal requirement to study Arabic at the same level as any other foreign language.

In addition to the physical separation of living in separate cities and geographical areas, one of the most significant factors of the Arab-Jewish separation is army service. The army is the major integrating element in Israeli society, bringing together youth from different cultural backgrounds and bonding them together. Legally, all Jewish citizens are obligated to serve in the army. Approximately 21% of the Jewish draft-age population does not serve, due to exemptions for religious study or for medical reasons. Meanwhile, the majority of Arab citizens are legally exempt from military service, with the exceptions of the Druze and Circassian communities. However, some Arabs do volunteer for army service, especially from the Bedouin population. Previous army service is often used as a qualification for employment, for renting apartments, or for community membership. Without explicitly saying so, using army service as a qualification is a means of excluding Arabs from applying for jobs, apartments, etc.

The physical and cultural separation of Arabs and Jews has resulted in the development of two separate communities within Israel. This is reflected in the business sector, where Jewish companies work primarily with other Jewish companies, and Arab businessmen struggle to break into the market. Unequal levels of education and discrimination in employment have forced the Arab population into lower-paying, physically demanding occupations, while the Jewish population dominates the public and business sectors.

Socio-economic factors have influenced the stereotypes that each group holds about the other. Common stereotypes cast Arabs as menial laborers, as not trustworthy, and as potential thieves. These stereotypes are prevalent throughout Israeli society, to the point that menial labor is described as "Arab work" and children in schools are instructed "not to act like Arabs". Many Jews do not differentiate between Arab citizens and Palestinians in the West Bank and Gaza, and are quick to see Arabs as a security threat. On the other side, common stereotypes cast Jews as cold and not hospitable, as bigots who discriminate against the Arab community, and as slick talkers who make promises but do not keep their word.

Although integration is a heralded ideal in many Western countries, it has never been an ideal in Israel, and arguably throughout the Middle East. The majority of Arabs and Jews in Israel prefer to live in separate communities, in order to preserve their culture, religious traditions, and ethnic integrity. In Israel, the examples of integration are few and far between, with more symbolic value than actual influence on the society. Coexistence communities such as the Arab-Jewish Oasis of Peace, and educational experiments such as the Bi-lingual School in Jerusalem have a significant impact on the participants and their families, but remain a marginal phenomenon.

The most common fear of integration is that it will lead to intermarriage. As the state of Israel does not recognize religiously mixed marriages, there are no official statistics about the extent of intermarriage. However, anecdotal evidence reports that shows that there is a small incidence of intermarriage, often within the context of a university, or left-oriented political circles, two of the few fora where Arabs and Jews interact as peers. Couples who dare to cross the ethnic boundary face high levels of prejudice and pressure from their families and societies, and are often forced to break ties.

A recent poll conducted by Badi Hussein and Ami Podhozer of the Haifa University, shows that 90% of Jewish respondents would not permit a member of their family to become romantically involved with an Arab. The poll surveyed a sample of Jewish Israelis, and participants were asked whether they agree with the following statements about social relationships with Arabs:

- I would not work for an Arab supervisor – 60%
- I would not host an Arab in my house – 47%
- I would not permit a member of my family to get romantically involved with an Arab – 90%
- I would not allow Arabs to live in my neighborhood – 69%
- I would prefer to break off all contact with Arabs – 64%

In comparison to similar studies conducted in the past, these results reveal that Jewish attitudes towards the Arab minority have grown more extreme in the past two years.

The past two years of the Israeli-Palestinian conflict have had a terrible effect on relations between the Jewish majority and Arab minority within Israel. Suffering from the nearly daily occurrence of violence, both Jews and Arabs in Israel live in constant fear and anxiety. Jewish Israelis have projected their anger and distrust onto the Arab minority within Israel, associating them with terrorists and viewing fellow citizens as a potential threat to security. Meanwhile, Arab citizens identify with the Palestinian struggle for independence, and feel increasingly isolated from the policies and actions of the Jewish majority.

The speed with which Jews are ready to view Arabs as a security threat was shown in the events of October 2000. As thousands of Arab citizens joined popular demonstrations against the occupation, Israeli security forces cracked down on the rowdy crowds with extreme levels of force, using live ammunition and rubber-coated bullets to disperse the crowds. During the first week of October, the Israeli security forces were responsible for the deaths of thirteen Arab citizens. The double standard of treatment for Jewish and Arab citizens was clear. Despite the involvement of Jewish citizens in similar demonstrations and even in destructive riots, Israeli security forces use tear gas and water cannons, never resorting to live ammunition. In the past two years, eight Arab citizens have been "mistakenly" killed by Israeli security forces.

Race-related violence and public hate speech have also become serious issues in the past two years. After major suicide bombings, members of the Arab minority often become targets of Jewish anger, resulting in harassment, assaults and beatings, vandalism and arson, and the destruction of Arab homes and property. Every week, the Arabic press in Israel reports on two or three incidents of race-related violence. However, the Hebrew press in Israel pays little attention to these incidents.

In recent weeks, the Hebrew press has reported almost hysterically about the alleged increasing involvement of Arab citizens of Israel in the support of violent activities. Ignoring the concept of "innocent until proven guilty", the Hebrew press has seized on every alleged incident with the intensity of a witch hunt. Although the involvement of the Arab citizens of Israel in violent activities remains marginal, the treatment of these activities in the media and the public discourse is creating the impression of collective guilt, obligating the leadership of the Arab minority to issue repeated apologies and condemnations.

Although the majority of Arabs and Jews prefer good-neighborly separation to integration, the lack of meaningful interaction between the two communities has led to stereotyping and distrust. The intensity of the Israeli-Palestinian conflict has been reflected in internal relations, and fragile good-neighborly relations are on the verge of completely breaking down.

Recommendations to the Arab Minority

Participation in the Peace Process

As part of the Palestinian people, and citizens of the state of Israel, the Arab minority in Israel is in a unique position to promote dialog and to bridge the gaps between the Palestinians and the Israelis. Through identification with the Palestinian struggle, and through the experience of a minority suffering from discrimination, the Arab minority is better able to understand the needs and demands of the Palestinian people than the Jewish majority and leadership. Through the experience of living with Jewish citizens, exposure to Hebrew news and media, and participation in the Israeli political system, the Arab minority is better able to understand the perspectives of the Israelis than the Palestinian people and leadership.

Until now, the Arab minority has not exerted enough efforts to communicate these perspectives through outreach to the Palestinians in the West Bank and Gaza, and outreach to the Jewish majority in Israel. Faced with the urgent need to support the Palestinians with humanitarian aid, and the urgent need to defend their civil rights against racism, the Arab minority has taken a reactive rather than proactive position. However, this does not justify the silence. Through internal dialog and community organization, the Arab minority should develop messages that incorporate their unique understanding of the Palestinian and Israeli perspectives, and make efforts to communicate these perspectives to the other.

Internal Dialog

The identity of the Arab minority in Israel is complex. As Palestinians, the Arab minority is the historical part of the Palestinian people that remained in the homeland. Although culturally Arab, the Arab minority are largely disconnected from the other Arab countries, with minimal acceptance, communication, and freedom of movement. As citizens of Israel, the Arab minority is not integrated into Israeli society, and is discriminated against socially, economically, and politically. And even within the Arab minority, religious differences between Muslims, Christians, and Druze threaten understanding and unity.

Although the Arab minority in Israel seems like a small group, it encompasses over one million people, concentrated in different areas of the country, with different cultural affiliations and lifestyles, and even different linguistic dialects. Political movements within the Arab minority represent viewpoints from integration on the basis of civic equality, to separation on the basis of national identity, to the establishment of a society based on the religious values of Islam.

While the Arab minority has reached consensus on several issues, the need for dialog within the Arab minority is clear. Such a dialog would include leadership and community members in an ongoing discussion about the identity of the Arab minority, its political aspirations and goals, and an evaluation of its needs, abilities, and resources. The results of this dialog will enable the Arab minority to organize and coordinate itself, and to develop proactive involvement in the resolution of the conflict, and the struggle for equal rights.

Democratic Participation and Unity

Citizenship entitles the Arab minority of Israel to participate in the democratic institutions of the state, and to use these democratic institutions to promote equality. The democratic instruments available to the Arab citizens include: voting in local and parliamentary elections, organizing political parties and movements, advocating for equal rights legislation, organizing coalitions and cooperating with other groups, creating legal precedents in the judicial system, and protesting through public statements, boycotts, and strikes.

Until now, the Arab minority has not developed a civil rights plan, coordinated by the community leadership, and fully implementing the available democratic instruments and strategies. Fragmentation of the community along religious, ethnic, and territorial lines has prevented the Arab political parties from close cooperation, diminishing their political leverage in the Knesset. Massive community mobilization has largely been for joint protests, including demonstrations, boycotts, and strikes. However, if the Arab minority focuses on negative methods such as boycotting the elections, the result may be the further isolation and political de-legitimization of the Arab minority. The struggle for equal rights requires cooperation on positive methods as well, uniting the strengths and resources of different streams on behalf of the community as a whole.

Building Capacity for Civil Society

The establishment of the state of Israel resulted in the destruction and repression of the Arab minority's social and political infrastructures. As the Arab minority emerged from the decades of submission under military rule and repression it began to rebuild these infrastructures, setting up national coordinating bodies, and creating political parties and independent movements. In the past decade, the Arab minority has responded to the unequal and insufficient support of the government by establishing a multitude of civil society organizations working in the fields of social welfare, education, health, the environment, care for children and elderly, women's rights, and others.

The existence of these civil society organizations does not remove the responsibility from the state to provide public services to the Arab minority. However, the development of these organizations is an important step for the professional and societal development of the Arab minority. The processes of needs assessment and community planning, the experience of civil society organizations is teaching the Arab minority self-reliance. Building the capacity and skills of these organizations will both provide better services to the Arab community, and develop the democratic and cooperative aspects of the Arab society in Israel.

Recommendations to the Israeli Government

The Arab Minority as Mediators in the Peace Process

The past two years of intense violence and conflict have almost completely destroyed the Middle East Peace Process. With Palestinian suicide bombings and Israeli military incursions killing innocent civilians, it is unclear when the sides will be able to return to the negotiating table. However, it is clear that a fundamental reason for the current failure of the peace process is the lack of mutual understanding of one side for the other. Issues which one side regards as central to the resolution of the conflict, such as the Palestinian right of return, or sovereignty over holy sites in Jerusalem, are not regarded as legitimate subjects for negotiation by the other side.

The Arab minority in Israel is in a unique position to mediate between the Israeli and Palestinian sides of the Middle East conflict. Identification with the Palestinian experience and culture, coupled with the experience of Israeli life and citizenship, gives the Arab minority a deep understanding of each side of the conflict, a fundamental necessity for mediation. When the Palestinians and Israelis are finally able to return to political negotiations, the Arab minority should be utilized in roles as translators, consultants, and mediators.

Recognition of National Minority Status

Since the establishment of the state, the Israeli government has not officially recognized the existence of a distinct national minority, and has referred to the Arab population as "non-Jews" or "minorities". This vague definition has permitted the development of vastly disparate approaches to the Arab minority, from the advocates of forced physical transfer to preserve the ethnic purity of the state, to the advocates of completely renouncing the Jewish character of the state in favor of a democratic and bi-national state.

These extreme approaches are not acceptable. Forced physical transfer is not a morally permissible option. And renouncing the Jewish character of Israel is not realistic for a state explicitly founded as homeland and refuge for the Jewish people. Israel must find middle ground, and clearly define the character of the state somewhere on the spectrum between Jewish and democratic. As part of this process, Israel must recognize the presence of the Arab population in Israel as a distinct national minority. This includes enshrining the equal rights and citizenship of the Arab minority in the Basic Laws, and incorporating these principles of equality consistently throughout official legislation and its practical implementation. The most urgent issue to be addressed after the recognition of equality and full citizenship will be the full recognition of the land rights of the residents of the unrecognized villages.

As part of the official recognition of the Arab minority, it is important to address the controversial issue of compulsory military service. Arab citizens of Israel are legally exempt from military service, on the basis that the Arab citizens should not be forced to bear arms against their own people. However, as full citizens of the state of Israel, and entitled to all of the rights and benefits of citizenship, the Arab citizens of Israel must also be obligated in citizenship's duties. Accordingly, the Israeli government and the representatives of the Arab minority must discuss the issue of compulsory

military service, and consider options such as non-military national service as an alternative. Without programs addressing all aspects of citizenship and equality, the Arab citizens will remain in an un-defined and second class status.

Education for Tolerance and Democracy

It is the responsibility of the Israeli government to educate for tolerance and democracy. Programs including democracy education in schools, mixed youth and community groups for dialog, and cultural exchange institutions should not be the responsibility of non-profit organizations. Such programs should be implemented on a large scale, with governmental support to give them social legitimacy.

Development and Investment

While Israel has become a developed country with an advanced industrial economy and a high standard of living, the Arab sector has not been fully included in the country's overall development. There are wide gaps between the Arab and Jewish sectors, with the Arab sector suffering from insufficient infrastructures in education, agriculture, industry, health, sewers, and social welfare. Under-development and poverty are especially extreme in the unrecognized villages in the Negev and North of Israel.

Although the Israeli government has officially recognized the significant gaps in socio-economic levels between the Arab and Jewish populations, programs to address these gaps have been largely symbolic in nature. The Israeli government has a history of promising budgets to the Arab sector, and then not following through with the implementation. This leaves the development needs of the Arab sector unaddressed, creating health and educational problems. In addition, this creates feelings of betrayal and resentment in the Arab community, and the feeling that the Israeli government cannot be trusted.

The Israeli government should develop a comprehensive plan to address the development needs of the Arab minority. Based on a survey and needs assessment, the plan should include the input of the Arab leadership and localities. Furthermore, the development plan should be directed by a steering committee composed of development experts, Arab representatives, and government officials to keep the implementation timely and on track. By addressing the urgent development needs of the Arab minority, the Israeli government will take a first step towards building relations based on trust and mutual cooperation.

Recommendations to Europe

Barcelona Process and the Association Agreement

In 1995, the European Union and the Mediterranean countries launched the Barcelona Process, creating a European-Mediterranean Partnership for regional cooperation and exchange in the areas of politics and security, economics and trade, and social and human issues. The first priority of the Partnership is to promote a regional political dialogue advancing peace and security. The Barcelona Process also looks to the establishment of a free trade area, based on Association Agreements between the European Union and the Mediterranean countries, and trade agreements between each of the Mediterranean countries. As part of the Barcelona Process, the European Union developed Association Agreements with several Mediterranean countries, including Israel, Morocco, and Tunisia.

Article 1 of the Association Agreement between the European Union and Israel states that the aims of the Agreement are: to provide a framework for political dialogue, to promote harmonious economic relations, to encourage regional cooperation with a view to peaceful coexistence and economic stability, and to cooperate on other issues of reciprocal interest. Article 1 also speaks to the essential element of human rights and democratic principles, which are the basis for the Agreement and which guide all internal and international policy.

Although the Association Agreement includes the aspects of peaceful coexistence, democratic principles, and human rights, the Agreement does not mention the Arab minority in Israel. The programs and cooperation included in the Association Agreement have been conducted with the Israeli government, without sufficient outreach and inclusion of the Arab minority. The liaisons for programs of economic networking, research and development cooperation, youth and cultural exchanges, and educational cooperation are primarily with Jewish institutions, restricting the flow of information to the Arab community, and excluding their participation. Without the intention of doing so, the Association Agreement may actually be widening the gaps between the Jewish majority and the Arab minority in Israel.

Majority-minority relations and the clear implementation of civil rights are clearly an essential priority for the European Union, as can be seen from the importance of reforming the treatment of the Kurdish minority in Turkey as a precondition for accession to the European Union. The Turkish example shows how the Association Agreement between the European Union and Israel can be used as an instrument of affirmative action. By explicitly referring to the Arab minority, the Association Agreement can be used as a method of development and inclusion of this under-developed and marginalized population. To extend this model, the Association Agreement could be used as an instrument of affirmative action to develop and include minorities in other Mediterranean countries as well, such as the Copt minority in Egypt and the Amazir minority in Morocco.

Involvement in the Peace Process

The European Union plays an important role in the Middle East Peace Process, both politically and economically. Politically, the European Union facilitates the peace process through meetings and talks, public statements, and the diplomatic activities of Special Envoy to the Peace Process, Ambassador Miguel Moratinos. Economically, the European Union is the major donor of humanitarian aid to the Palestinian people, as well as being an economic partner with Israel and the neighboring countries of Lebanon, Syria, Jordan, and Egypt.

Until now, the European Union has not regarded the Arab minority of Israel as an essential element to resolving the Arab-Israeli conflict. Through meetings with European representatives, such as Human Rights Commissioner Mary Robinson and Special Envoy Miguel Moratinos, the European Union could utilize the unique position of the Arab citizens of Israel to increase understanding between the different actors.

European Parliament

The Delegation of the European Parliament for Relations with Israel is a group of seventeen Members of Parliament, which discusses all issues concerning Israel. The Delegation primarily is concerned with issues of foreign policy, considering the Arab-Israeli conflict, anti-Semitism in Europe, and relations between individual European countries and Israel. The Delegation for Relations with Israel takes protocol and makes recommendations to the European Parliament, which uses these recommendations to develop official European policy.

Until recently, the European Parliament has not recognized Israel as a country with a significant national minority. The subject of the Arab citizens has been absent both in the context of human and minority rights, and in the context of the Arab-Israeli conflict. 2001 was the first year that the Delegation for Relations with Israel considered the subject of the Arab minority in Israel. In December 2001, a delegation of Arab citizens of Israel made a presentation to the Delegation, outlining the status of the Arab minority and presenting facts and history. In June 2002, a second delegation of Arab citizens was hosted by a group of MPs to discuss the Association Agreement. This discussion considered the implications of the Association Agreement on Israel's treatment of the Arab minority.

These are favorable developments in the European Parliament's relations with the Arab minority in Israel. As such meetings and presentations continue in the near future, the European Parliament, and specifically the Delegation for Relations with Israel will realize the significance of the Arab minority, and the potential that the Arab minority has to influence and advance the eventual resolution of the Arab-Israeli conflict.

European Support of Democracy, Human Rights, and Development

The European Union is active throughout the world, supporting governmental and non-governmental organizations to promote democracy, human rights, and development. Support for non-governmental organizations is primarily disbursed

through calls for proposals, administrated by the European Commission. These calls for proposals are targeted to each country and population, aiming to fit the types of support to their specific needs and constraints.

Within the framework of these calls for proposals, the European Commission has targeted the Arab minority in Israel as a specific issue to be addressed within the European Initiative for Democracy and Human Rights. The call for proposals specifically calls for the objectives of human rights education, media and public debate, and improved access to the legal system for women, children, and the Arab minority. This is an important and appreciated initiative, and demonstrates the European recognition of the Arab citizens as a national minority, and as a most disadvantaged group within Israel.

The particular status of the Arab citizens, as an under-developed group within a developed and industrial country, has disqualified the Arab minority from most of the European aid operations in developing countries. Due to Israel's advanced economic development, the European Union does not consider Israel eligible to receive support for basic development aid. However, the Arab population in Israel, and specifically the Bedouin residents of unrecognized villages in the Negev and the North, are in intense need of development aid. Recognition of the under-developed Arab minority as a separate population group from Israel, would allow development aid to reach this population, assisting and enabling advancement in health, nutrition, and education.

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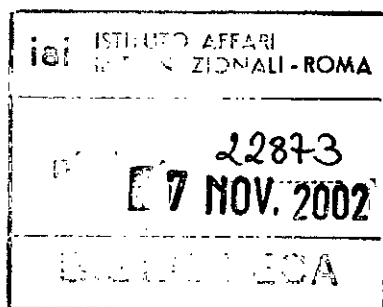
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**CEPS Middle East seminar
Halki, 8-11 September 2002**

**Palestinian refugees –
how can a durable solution be achieved?**

« It is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law.¹ »

The Universal Declaration of Human Rights (1948)

« The upheavals of European history have shown that the protection of national minorities is essential to stability, democratic security and peace in this continent. »²

Council of Europe, Framework Convention

by **Tanja Salem**
for the Center for European Policy Studies (CEPS) Middle East Research Team

¹ Preamble, Universal Declaration of Human Rights, 1948.

² Preamble, Framework Convention 1995.

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1 Introduction

The refugee question is at the core of the conflict between Israel and the Palestinians. Palestinians were first displaced as a direct consequence of the 1947 War and its aftermath. Twenty years later, another wave of Palestinian refugees was created as a consequence of the War in which Israel occupied the Westbank and the Gaza Strip.

The purpose of the present paper is to

- deliver a critical analysis of past approaches to deal with the refugee issue in the various attempts to resolve the conflict between Israel and the Palestinians and to come to a settlement ;
- to present the analysis in a comparative framework on the basis of other recent ethnic conflicts which have engendered refugee flows ; and
- to propose a direction in which the international community can push the actors that would avoid past pitfalls which could ultimately lead both parties to an agreement³.

In what follows we will first give definition of Palestinian refugees, a short summary of how the refugee problem was created, and an indication of their numbers then and today.

Chapter 3 gives a comparative perspective of the issue, first discussing the refugee issue in the context of the Oslo and Madrid processes, then looking at how parties to recent conflicts and the international community have strived to resolve the plight of refugees and displaced persons within the context of an agreement. The cases discussed are Bosnia, Cyprus and South Africa.

Chapter 4 gives a discusses current proposals within the logical framework set by the so-called Clinton parameters, and evaluates them in the context of the cases presented in section 3. Following a discussion of the major flaws of previous proposals, the chapter proposes a way forward.

³ During the last round of negotiations at Camp David 2000 the Israeli side argued that compensation for Palestinian refugees should be offset by compensation of Jews who left Arab countries when they emigrated to Israel. Many had to leave their properties behind without adequate compensation. However, although this may be part of an overall peace settlement between Israel and the Arab countries, it goes beyond the scope of this paper to do this matter any justice. As for the Palestinian refugees, return and compensation could and should be part of a peace agreement between the parties involved, in this case the emigrants themselves, the Israeli government and the governments of the countries they have left. At the negotiations at Taba in January 2001, the Israeli side conceded that "the issue of compensation to former Jewish refugees from Arab countries is not part of the bilateral Israeli-Palestinian agreement".

2 Background

Ethnic conflicts are « often characterized by 'multiple disagreements over what kind of conflict it is, and about whether it is 'one ' or 'many ' »⁴. This has become apparent at every junction in the Madrid and Oslo processes, regarding questions of self-determination versus individual rights, as well as the definition of the parties to the conflict – the occupation following the 1967 war, or the dispossession of Palestinians during and after the 1948 war AND the 1967 war. Thus the representation of the history of ethnic conflict becomes part and parcel of the conflict itself as differing versions of history are transformed into bargaining chips to be negotiated.

However, in order to create a framework for the discussion of a resolution of a conflict, defining its constituent parts is a prerequisite. Therefore, in what follows, we outline the two versions of the history of the conflict - at the heart of which lies the issue of refugees. The versions we go with are those on the Israeli and on the Palestinian side that agree on the facts, but disagree regarding the interpretation of those facts. It is on this basis that we build the proposals regarding a resolution of the conflict.

2.1 Definition - Palestinian Refugees and « displaced persons »

For the purpose of this paper, where we refer to refugees, we refer to persons and their descendants

« who were expelled or forced to leave their homes between November 1947 (Partition Plan) and January 1949 (Rhodes Armistice Agreements), from the territory controlled by Israel on that latter date. This . . . coincides with the Israeli definition of absentees, a category of Palestinians meant to be stripped of its most elementary human and civil rights:

Any person was declared to be an absentee if he was, on, or after 29th November 1947 a citizen or a subject of any of the Arab states; in any of these states for any length of time in any part of Palestine outside the Israeli-occupied area, or in any place other than his habitual residence even if such place as well as his habitual abode were within Israeli-occupied territory. »⁵

Practically this includes:

- Palestinian refugees from the 1948 war who became UNRWA registered refugees;
- Palestinian refugees from the 1948 war who ended up in places other than UNRWA's area of operations, i.e., Egypt and other North African countries, Iraq, and the Gulf region;
- Internally displaced Palestinians, who remained in the area that became Israel and were originally acknowledged as UNRWA's responsibility but who were subsequently excluded on the assumption that their condition would be addressed by Israel;
- Residents from Gaza and the West Bank (including East Jerusalem) and their descendants, who were displaced for the first time in the 1967 war;

⁴ Mc Gary, J. and B.O'Leary (1995). Explaining Northern Ireland: Broken Images, Oxford: OUP, p.1; quoted in Bell, C.(2000).Peace Agreements and Human Rights, Oxford, OUP, p. 15.

⁵ The definition used is that provided by the Palestinian delegation at the first meeting of the Refugee Working Group (RWG) held in Ottawa, Canada on 13 May 1992. From: Zureik, E. (1996), Palestinian Refugees and the Peace Process, Washington DC: Institute for Palestine Studies, p.9

- Individuals who, after 1967, were deported by the Israeli occupation authorities from the West Bank and Gaza;
- So-called "late comers," i.e., those who left the occupied territories to study, visit relatives, work, get married, etc., whose Israeli-issued residency permits expired and who were prevented by Israel from returning to their homes;
- Palestinians who were outside British Mandatory Palestine when the 1948 war broke out, or those who were outside the territories when the 1967 war broke out and who were prevented from returning by Israel; and
- Well-to-do Palestinians who sought refuge in 1948 but whose pride prevented them from registering with UNRWA.⁶

Table 1: Total displaced Palestinians today and at the time of displacement

	Palestinians displaced during 1947-1948 ⁷		Palestinians displaced as a result of the 1967 War ⁸
	Total according to early UN documents	1950 UNWRA records	
At time of displacement	711,000-900,000	914,000	400,000*
	Total according to Palestinian estimates	Total UNWRA registered refugees	
Today	5,928,430***	4,010,354****	1,000,000**

Sources : see footnotes.

In brief, UNWRA has registered only those refugees who live in areas where UNWRA operates (excluding, for example, refugees who fled to in Egypt and Iraq). In addition, in those areas only those refugees who were in need of UNWRA's assistance were registered⁹.

In summary, most Palestinians who were forced to abandon their homes belong to either those who were expelled or fled during the period of November 1947 and January 1949, or during the 1967 War. According to the United Nations, about 750,000 Palestinians (half of the Arab population of Mandatory Palestine) became refugees during the first wave. This figure is a the most conservative estimation provided by the UN and which is challenged by Palestinian demographers and the

⁶ From: Zureik, E. (1996), *Palestinian Refugees and the Peace Process*, Washington DC: Institute for Palestine Studies, p.8

⁷ There are a variety of figures concerning the number of refugees from 1948. The UN Conciliation Commission on Palestine reported a figure of 711,000 in its report of 23 October 1951, but later that year, the Commission used a figure of around 900,000 in calculating the global estimate of Palestinian refugee losses (UN Documents A/1367/Rev.1 and A/1985). Palestinian sources arrive at a figure of 804,767 with the total number rising to 935,573 if the population of extra villages from UNRWA records is added (Abu-Sitta (1998), *The Palestinian Nakba*, 1948).

⁸ * Source: 'Amro, Tayseer. 1995. "Displaced Persons: Categories and Numbers Used by the Palestinian Delegation [to the Quadripartite Committee] (not including spouses and descendants)." Article 74, no. 14. Jerusalem: Alternative Information Center for Palestinian Residency and Refugee Rights. Reprinted in Elia Zureik, 1996, *Palestinian Refugees and the Peace Process*, Institute for Palestine Studies, Washington, D.C; ** Zureik, E. (1996), *Palestinian Refugees and the Peace Process*, Washington DC: Institute for Palestine Studies; as of 1994, based on Jordanian figures, Table ⁶ Mick Dumper in his report to the Refugee task force has used figures from Salman Abu-Sitta, *The Palestinian Nakba. The Register of Depopulated Localities in Palestine*. London, The Palestine Return Center 1998. Mick Dumper has updated the figures to 1999 using a 3.5% population growth rate. I have done the same to get to 1002 figures. **** Similarly, UNWRA June 2001 figures have been updated assuming a 3.5% population growth rate.

⁹ See Appendix x for details.

UN itself a few years later. Palestinian demographers tend to talk about almost 1 million¹⁰.

2.2 The narrative – the Palestinian exodus 1947-1949

Regarding the historiography on the direct cause of the 1948 exodus of Palestinian refugees two serious schools of historical research have emerged. As indicated above, although they agree on the events, they disagree as to the interpretation of the events.

On the one hand, Palestinian historians and some Israeli historians, such as Ilan Pappé have interpreted the exodus of the Palestinian as the result of a pre-meditated Zionist campaign to ethnically cleanse areas under Israeli rule¹¹.

The so-called Israeli "New Historians"¹² on the other hand, although agreeing that some of the Palestinians were indeed expelled or massacred, insist that about half of the refugees have left « of their own accord ».

All the above authors agree that about that 70,000 refugees in the first wave (i.e. before the start of the war) fled an unstable situation, leaving their property behind and counting on returning once the situation had calmed down. About 250,000 were expelled in the final stages of war. However, this accounts not even for half of the refugee population. The dispute between the narrative of the so-called Israeli "New Historians" is about the 350,000 or so who exited Palestine in between March and June 1948, which they claim not as a result of a premeditated plan, but of their own accord¹³.

Also, However, as Ilan Pappé points out, it is immaterial whether people leave their homes "voluntarily" in times of war, or whether they are actually physically forced to leave. What is material is that they were never allowed back¹⁴.

Resolution 194 and the UN partition plan

The UN partition plan (November 1947, before the exodus) ruled that Palestine should be divided into a Jewish State (57 per cent of the territory of British Mandate Palestine), and Arab State (43 per cent) with economic union and with Jerusalem as a separate international zone (*corpus separatum*) to be administered by the UN (UN General Assembly Resolution 181(II)). It also ruled that « Palestinian citizens residing in Palestine outside the city of Jerusalem, as well as Arabs and Jews, who, not holding Palestinian citizenship, reside in Palestine outside the city of Jerusalem, shall, upon the recognition of independence, become citizens of the state in which they are resident [Arab State and Jewish State respectively] and enjoy full civil and

¹⁰ See footnote 7.

¹¹ Khalidi, W.(ed.) (1971), *From Haven to Conquest: Readings in Zionism and the Palestine problem until 1948*, Washington D.C.: Institute for Palestine Studies; Finkelstein, N.G., 1995, (1995), *Image and Reality of the Israel-Palestine Conflict*, London: Verso; Masalha, N. (1992), *Expulsion of the Palestinians: the concept of "transfer" in Zionist political thought, 1882-1948*, Washington D.C.: Institute for Palestine Studies; Pappé, I., (1994), *The Making of the Arab-Israeli Conflict, 1947-1951*, London: I.B.Taurus.

¹² Morris, B. (1988), *The Birth of the Palestinian Refugee Problem*, Cambridge: Cambridge University Press.

¹³ See Appendix x for a discussion of historiography on the Palestinian exodus.

¹⁴ Pappé, I. (1999), *Were They Expelled?: The History, Historiography and Relevance of the Palestinian Refugee Problem*, in: Ghada Karmi and Eugene Cotran, *The Palestinian Exodus, 1948-1988*, London: Ithaca Press, pp.37-62.

political rights (1947 UN Partition Plan, (C) Declaration, Chapter (3)[1]). »¹⁵ In essence, the partition plan did not aim to establish ethnically clean states, but focused on questions of sovereignty, while approximately 50% of the population of the territory designated for the Jewish state was Palestinian.

After the Palestinian exodus, the UN General Assembly ruled to reverse the demographic situation created as a result of the expulsions and flight of the Palestinians in Resolution 194, resolving that « the [Palestinian] refugees wishing to return to their homes to live at peace with their neighbours should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those not choosing to return and for loss of or damage to property »¹⁶.

The Israeli « Law Of Return » and the « Absentees Property Law »

Following the mass exodus, the Israeli government enacted the « Law of Return » (according to which every Jew has the right to immigrate to Israel) and the « Absentees Property Law » (both in 1950), which nullified of all rights to property, residence and citizenship in Israel for all Palestinians who had fled their homes, including many of those who stayed in the country (today still over 250,000 people in Israel are internally displaced as a consequence, and not allowed to return to their villages and of origin nor to their properties).

The second exodus 1967

During the 1967 War (when Israeli occupied the Westbank, the Gaza Strip, and East Jerusalem)¹⁷ more than 400,000 Palestinians were displaced or not allowed to return to their homes, half of whom were 1948 refugees displaced for a second time in less than two decades.¹⁸ Some 38,000 second-time refugees from the Gaza Strip fled to Egypt.

Table 2: Palestinian Estimates of Displaced Persons and Refugees during the 1967 War

Category	Estimate
<u>Displaced to Jordan</u>	
1967 displaced for the first time	107,000
1948 displaced for the second time	93,000
Unclear status (including residents of Latroun villages near Jerusalem)	12,500
<u>Total</u>	<u>212,500</u>
<u>Displaced to Egypt</u>	
1967 displaced for the first time	32,000
1948 displaced for the second time	3,000

¹⁵ Davis, U., Palestinian Refugees at the Crossroads of 1996 Permanent Status Negotiations, Shaml Monograph, 1, Shaml Palestinian Diaspora and Refugee Centre, p.16., <http://www.shaml.org/publications/monos/mono1-2.htm>.

¹⁶ UN General Assembly Resolution 194.

¹⁷ The 1951 Geneva Convention defines a refugee as a person who “owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion, is outside the country of his nationality, and is unable to or, owing to such fear, is unwilling to avail himself of the protection of that country”.

¹⁸ The Geneva convention does not include “internally displaced persons”, i.e. persons who flee their homes for the same reasons as refugees, but remain within their own country and are thus subject to the laws of that state. – Between 1950 and 1967 the Westbank was part of Jordan.

Deportees	4,000
Total	39,000
People abroad who were unable to or prevented from return	60,000
Persons with "lost" ID permits (1967-1991)	100,000
Deportees (1967-1991)	1,660
Total	413,160

Source: Amro, Tayseer. 1995. "Displaced Persons: Categories and Numbers Used by the Palestinian Delegation [to the Quadripartite Committee] (not including spouses and descendants)." Article 74, no. 14. Jerusalem: Alternative Information Center for Palestinian Residency and Refugee Rights. Reprinted in Elia Zureik, 1996, Palestinian Refugees and the Peace Process, Institute for Palestine Studies, Washington, D.C.

3 Refugees and Displaced Persons : Negotiating solutions

3.1 Palestine-Israel

3.1.1 The parties' perceptions of the refugee issue prior to Madrid

Palestinian perceptions

Initially the PLO did not accept UNGA resolution 194, as it had also refused the UN partition plan (UNGA 181), which implied two states, one Jewish, one Palestinian¹⁹. The PLO was established to achieve a Palestinian state in all of British mandate Palestine. From the perspective of the PLO and indeed most Palestinians at the time this implied

- re-gaining at least part of what they had lost by returning to their homes; and
- gaining independence and self-determination as a people in a historical context where colonies were struggling against colonial rule and for independence around the globe.

However, during the 1970's, also as a consequence of the two wars in 1967 and 1973, some groups within the PLO started to positively discuss the establishment of a Palestinian state in the territories occupied as a strategic interim aim.

The 1988 Palestine Declaration of Independence defines the international legal borders of the projected State of Palestine as the borders designated for the Arab state in the UN General Assembly Resolution 181 (II), 1947²⁰. It was pronounced shortly after the so-called « fakk al-irtibat », the dissolution of the unity of the Hashemite Kingdom east and west of the river Jordan and nullification of the 1950 annexation of the West Bank to Transjordan.

Israeli perceptions

David Ben-Gurion provided the first Israeli version of the Palestinian exodus, one which is still accepted today by many professional historians in Israel. On 11 October 1961 he declared in the Knesset:

'The Arabs' exit from Palestine...began immediately after the UN resolution, from the areas earmarked for the Jewish state. And we have explicit documents testifying that they left Palestine following instructions by the Arab leaders, with the Mufti at their head, under the assumption that the invasion of the Arab armies at the expiration of the Mandate will destroy the Jewish state and push all the Jews into the sea, dead or alive'²¹.

Generally the Israeli narrative claims that

- The Arab residents of Mandate Palestine left of their own accord or encouraged by the Arab governments; and that
- also Jewish refugees were created as a result of the 1948 hostilities²².

¹⁹ Suleiman, J., (2001), The PLO, From Right of Return to Bantustan, in: Naseer Aruri (ed.), Palestinian Refugees: The Right of Return, pp.87-102.

²⁰ All Palestinian residents of the occupied West Bank (including East Jerusalem) were Jordanian citizens (see below). After "Fakk al-Irtibat" they became stateless and their new status was reflected in the replacement of their five-year Jordanian passport with a two-year Jordanian passport.

²¹ Pappé, I. (1999), Were They Expelled?: The History, Historiography and Relevance of the Palestinian Refugee Problem", in: Ghada Karmi and Eugene Cotran, The Palestinian Exodus, 1948-1988, London: Ithaca Press, pp.37-62.

²² "As for the equation between the Jewish and Palestinian refugees this seems to be even a more doubtful line of

The historical facts laid out in section 2.2 above speak for themselves.

3.1.2 Madrid

The Madrid Conference was convened in October 1991 on the basis of UNSC Resolutions 242 and 338²³. Even though formally the Palestinians were part of the Jordanian delegation, by November 1992, the PLO became de facto recognised as the representative of the Palestinians for the purpose of the negotiations²⁴. The multilateral track of the peace process was launched in January 1992, to lay the foundations for securing the peace that might come through bilateral talks by initiating efforts at « cooperation on arms control and regional security, the environment, water resources, and regional economic cooperation and development. » Only when the Palestinians threatened to boycott these talks, the Americans agreed to launch a fifth set of multilaterals to deal with refugees. This is how the Refugee Working Group (RWG), headed by Canada, was formed²⁵.

The RWG has been a multilateral working group including a number of European countries, the US, Israel, Egypt, Jordan, the Palestinians, Syria and Lebanon (although these last two have boycotted the proceedings). The last plenary session of the RWG was held in December 1995. In 1997, the Arab League called for a boycott of the multilaterals in protest over Israeli policies. The RWG continued to work at a lower level until September 2000, when all multilateral track activities were suspended.

The RWG and Resolution 194

At the first meeting in Ottawa on 12 May 1992 Resolution 194 was adopted as the basis for discussing the refugee issue, and the Palestinian delegation included Palestinians from the diaspora, thus recognising that all Palestinians, no matter where they lived, had their part to play in negotiating a settlement. Israel boycotted the first full session of the RWG in Ottawa in May 1992, but later agreed to participate at the second set of talks²⁶.

Israel has rejected considering UNGA 194 as the basis for the work of the RWG, and insisted that the proceedings of the RWG should be restricted to humanitarian and

reasoning. The Jewish refugees remained in Palestine and returned to their homes once they were repatriated as part of a POW exchange in the end of the fighting. They were prisoners of war, and were treated like that. Moreover, the sheer numbers speak for themselves: 750,000 Palestinian refugees vis-a-vis 5000 Jewish refugees." In Pappé, I. (1999), *Were They Expelled?: The History, Historiography and Relevance of the Palestinian Refugee Problem*, in: Ghada Karmi and Eugene Cotran, *The Palestinian Exodus, 1948-1988*, London: Ithaca Press, pp.37-62.

²³ For the full text of UN Res.242 and 338 see Annex x. The former resolution has been adopted in the wake of the 1967 war, calling for, amongst other things, "a withdrawal of Israeli armed forces from territories occupied in the recent conflict", and affirms "the necessity of achieving a just settlement of the refugee problem". Resolution 338 essentially reaffirmed Res.242 after the War in 1973.

²⁴ Adelman, H. (1994), *Overview of the Refugee Problem and the Working Group on Refugees*, Paper presented at the Institute on Global Conflict and Cooperation Conference on Promoting Regional Cooperation in the Middle East, Vouliagmeni, Greece, November 4-8, p.7.

²⁵ Adelman, H. (1994), *Overview of the Refugee Problem and the Working Group on Refugees*, Paper presented at the Institute on Global Conflict and Cooperation Conference on Promoting Regional Cooperation in the Middle East, Vouliagmeni, Greece, November 4-8, p.6.

²⁶ Suleiman, J., (2001), *The PLO, From Right of Return to Bantustan*, in: Naseer Aruri (ed.), *Palestinian Refugees: The Right of Return*, p.97. The Israeli representatives refused to attend the first session of the RWG because the organisation of the talks broke the agreement that the Palestinians would only be represented by persons from the West Bank excluding East Jerusalem and Gaza (see also Adelman, 1994, p.6).

technical matters. In addition – albeit accepting UNSC 242 – both Palestinian and Israeli sides disagreed as to the meaning of the word « refugees » in Resolution 242, whereby the former argued it included both, refugees of 1948 and displaced persons of 1967, the latter argued that it merely referred to the persons displaced as a result of the 1967 war.

The activities of the RWG

Thus the work of the RWG was always focused on so-called technical and humanitarian issues, such as collection of data on refugees living in the camps in neighbouring countries (which FAFO has conducted and published), and for projects aimed at improving the living conditions of Palestinian refugees in host countries. However, the bulk of the funding flowed into the West Bank and Gaza (by 1994 230m dollars had been raised for projects in the West Bank and Gaza, but only 10m had been raised for projects in Jordan, Lebanon and Syria)²⁷.

Thus three factors have characterised the discussions around refugees under the Madrid formula:

- the de-facto recognition that Palestinians from the diaspora had a part in negotiating a settlement (implying a limited recognition by Israel and the international community of the sources of the conflict to go beyond the 1967 « acquisition of territory by war » ;
- the focus on technical and humanitarian issues while avoiding the underlying issue, namely the political and citizenship status of Palestinian refugees²⁸ ; and within this framework
- the heavy financial bias in favour of those Palestinians who were living inside the areas which were recognised by all parties as subject to discussions (Palestinians resident in the West Bank and Gaza), but which amount to less than one-third of the population concerned²⁹.

3.1.3 The Oslo Accords

The Declaration of Principles (DOP) followed mutual letters of recognition by Yasir Arafat and Yitzhak Rabin on 9 September 1993. The DOP again was based on UNGA 242 and 338, but as a document signed by both parties, the PLO effectively agreed that the aim of the peace process was the settlement of the conflict through the implementation of these two Resolutions, and no mention was made of UNGA 194 or the 1948 refugees' right of return³⁰. The DOP relegates the solution of the

²⁷ Adelman, H. (1994), Overview of the Refugee Problem and the Working Group on Refugees, Paper presented at the Institute on Global Conflict and Cooperation Conference on Promoting Regional Cooperation in the Middle East, Vouliagmeni, Greece, November 4-8, p.17.

²⁸ Andrew Robinson (the current Canadian gavel-holder of the RWG) noted, "the purely humanitarian approach, which is mostly what has been possible until now, does not really allow us to get to the heart of the issue." - Andrew Robinson, "The Refugee Working Group: Constraints and Challenges of the Situation in Lebanon," presented to the conference on "The Palestinians in Lebanon," Oxford, September 1996.

²⁹ For a detailed account of the refugee issue in Madrid and Oslo see Salim Tamari (1996), *The Future of Palestinian Refugees in the Peace Negotiations: Return, Resettlement, Repatriation*, Beirut, Washington, and Jerusalem: Institute for Palestine Studies, February.

³⁰ "The aim of the Israeli-Palestinian negotiations within the current Middle East peace process is, among other things, to establish a Palestinian Interim Self-Government Authority, the elected Council (the "Council"), for the Palestinian people in the West Bank and the Gaza Strip, for a transitional period not exceeding five years, leading to a permanent settlement based on Security Council Resolutions 242 and 338.

It is understood that the interim arrangements are an integral part of the whole peace process and that the negotiations on the permanent status will lead to the implementation of Security Council Resolutions 242 and

refugee issue to the final status talks, without linking the issue to any legal reference.³¹

Regarding refugees, the DOP also provides the interpretation of UNGA 242 proposed by Israel, namely that

- the word « refugees » in Resolution 242 implies those persons displaced as a consequence of the War of 1967 and not 1948 refugees; and
- that Israel and the Palestinian representatives on the one hand, and the governments of Jordan and Egypt should form a Quadripartite Committee to discuss the means of returning the displaced people of 1967 to the West Bank and Gaza Strip³².

Thus the return of each Palestinian displaced as a result of the 1967 war is conditional upon Israeli approval and is subject to Israel's security considerations according to the DOP. This is consistent with the DOP's endorsement of Israel's right to have joint sovereignty over all crossing points, by land, air and sea.

The Quadripartite Committee on displaced persons established under Oslo discussed the issue of the Palestinians displaced in 1967 on the basis of

- the DOP and its annexes ;
- the articles concerning displaced persons in the Jordanian-Israeli treaty ; and
- the Camp David I agreement as the basis for the committee's work.

However, the work of the Committee was slow (the participants being unable to agree on a common definition of « displaced person ») and has been stalled since the peace process came to a halt in 1997 when Likud came to power in Israel.

Oslo II and the « Beilin Abou-Mazen Plan »

According to the 1993 DOP so called « permanent status » negotiations were to start within three years of the agreement in 1996. This was confirmed in the Oslo II Accords, which called for permanent status negotiations to commence no later than May 4 1996. The latter were to discuss «all remaining issues, including Jerusalem, settlements, security arrangements, borders, relations and cooperation with other neighbors, and other issues of common interest»³³. Following the Oslo II Accords, the parties started work on the preparations of the permanent status negotiations, in the course of which the so-called «Beilin-Abou-Mazen Plan» was circulated in October 1995 as a basis for the negotiations³⁴. Table 4 gives a summary of the

338." Article I, Declaration of Principles.

³¹ Suleiman, J., (2001), *The PLO, From Right of Return to Bantustan*, in: Naseer Aruri (ed.), *Palestinian Refugees: The Right of Return*, p.98; the relevant article of the DOP is Art.5, para.3. Similarly, the question of Jerusalem and the delineation of borders were relegated to final status negotiations.

³² Article 12 of the DOP reads: "The two parties will invite the Governments of Jordan and Egypt to participate in establishing further liaison and cooperation arrangements between the Government of Israel and the Palestinian representatives, on the one hand, and the Governments of Jordan and Egypt, on the other hand, to promote cooperation between them. These arrangements will include the constitution of a Continuing Committee that will decide by agreement on the modalities of admission of persons displaced from the West Bank and Gaza Strip in 1967, together with necessary measures to prevent disruption and disorder. Other matters of common concern will be dealt with by this Committee."

³³ Israeli-Palestinian Interim Agreement on the Westbank and Gaza Strip, Washington DC, 28 December 1995, as published by the Jerusalem Media and Communication Center, occasional document series no.7, August 1996, www.jmcc.org/research/series/oslo2.html.

³⁴ The text of the relevant passages of the Beilin-Abou Mazen Plan is reprinted in Appendix x.

Beilin-Abou Mazen Plan, the positions at Camp David as well as the positions as presented at Taba in January 2001 regarding refugees³⁵.

³⁵ Israeli non-paper, Le Monde Diplomatique

Table 4 : Summary of positions regarding refugees in the permanent status talks

	1995 Beilin-Abou Mazen Plan	2000 Camp David	Taba*	
			Palestinian non-paper ³⁶	Israeli non-paper
Narrative	<p>«Art.VII 1. Whereas the Palestinian side considers that the right of the Palestinian refugees to return to their homes is enshrined in international law and natural justice, it recognizes that the prerequisites of the new era of peace and coexistence, as well as the realities on the ground since 1948 have rendered the implementation of this right impracticable. The Palestinian side, thus, declares its readiness to accept and implement policies and measures that will ensure, insofar as this is possible, the welfare and well-being of these refugees. »</p> <p>« 2. Whereas the Israeli side acknowledges the moreal and material suffering caused to the Palestinian people as a result of the war of 1947-1949; It further acknowledges the Palestinian refugees' right of return to the Palestinian state and their right to compensation and rehabilitation for moral and material losses. »</p>	<p>The official Palestinian position was that Israel should recognise the Right of Return as enshrined in international law and in particular UNGA 192, while also stating that « the right of return may be implemented in phases so as to address Israel's demographic concerns ». The Israeli position was that Israel bore no responsibility for the creation of the refugee problem in the first place.</p>	<p>« 2. Israel recognizes its moral and legal responsibility for the forced displacement and dispossession of the Palestinian civilian population during the 1948 war and for preventing the refugees from returning to their homes in accordance with United Nations General Assembly Resolution 194. »</p>	<p>« 2. The State of Israel solemnly expresses its sorrow for the tragedy of the Palestinian refugees, their suffering and losses, and will be an active partner in ending this terrible chapter that was opened 53 years ago, contributing its part to the attainment of a comprehensive and fair solution to the Palestinian refugee problem. »</p>
Responsibility	No mention of responsibility	No official document released, but Palestinian side demands Israel to recognise its responsibility for the creation of the refugee problem, whereas the Israeli side rejected any responsibility.	« 3. Israel shall bear responsibility for the refugee problem. »	« 3. For all those parties directly or indirectly responsible for the creation of the status of Palestinian refugeeism, as well as those for whom a just and stable peace in the region is an imperative, it is incumbent to take upon themselves responsibility to assist in resolving the Palestinian refugee problem of 1948. »
Legal basis for settlement of the refugee issue	No legal basis mentionend, although implicit in the formulation of Article VII, para.1. quoted above.	No official document released. Presumably, the Israeli position was consistent with the Oslo framework (UNGA 242 and 338), whereas the Palestinian position was based on UNGA 242, 338 and 194.	« 5.a....in accordance with United Nations Security Council Resolution 242,.... must lead to the implementation of United Nations General Assembly Resolution 194 .»	« Both sides suggested, as a basis, that the parties should agree that a just settlement of the refugee problem in accordance with the UN Security Council Resolution 242 must lead to the implementation of UN General Assembly Resolution 194. »

³⁶ Palestinian non-paper

Definition of a refugee	No definition is given, however, the period of 1947-1949 is given as the period when the suffering of the refugees was caused	NA	« 6.a. A Palestinian refugee is any Palestinian who was prevented from returning to his or her home after November 29, 1947. »	Moratinos Account of Taba Talks. No definition available
Modalities of implementation – who has authority of deciding on who returns/is compensated	Establishment of an International Commission for Palestinian Refugees (ICPR) for the final settlement of the refugee issue, including the Parties (Government of Israel and the PA), and donor countries. The work of the ICPR shall be financed by all its participants, including Israel. Criteria for compensation should account for: moral loss, immovable property and financial and economic support enabling resettlement and rehabilitation of Palestinians residing in refugee camps.	Israel demanded control of external Palestinian borders, the the Palestinian Authority would not have control over who returns to a Palestinian state. Compensation was not discussed.	« 7. A Repatriation Commission shall be established in order to guarantee and manage the implementation of the right to return The Commission shall be composed of representatives from the United Nations, the Parties, UNWRA, the Arab host countries, the EU, and Canada. » « 15. All refugees currently residing in Lebanon and choose to exercise the right of return in accordance with this Article shall be enabled to return to Israel within two years of the signing of this Agreement. 16. Without prejudice to the right of every refugee to return to Israel, and in addition to refugees returning pursuant to Paragraph 15 above, a minimum of XX refugees will be allowed to return to Israel annually. »	
Compensation : Ceiling or individual compensation	A mix between individual compensation (rights based) and a needs based/development approach.	NA	Individual compensation	Ceiling
Where are refugees allowed to go:				
Back to their homes (incl inside Israel)	Subject to Israeli discretion: « Israel will continue to enable family reunification and will absorb Palestinian refugees in special defined cases, to be agreed upon with the ICPR. » (Art.VII, para.5)	NA	NA	In the words of EU envoy M.Moratinos: « The Israeli side, informally, suggested a three-track 15-year absorption program, which was discussed but not agreed upon. The first track referred to the absorption to Israel. No numbers were agreed upon, but with a non-paper referring to 25,000 in the first three years of this program (40,000 in the first five years of this program did not appear in the non-paper but was raised verbally). The second track referred to the absorption of Palestinian refugees into

				the Israeli territory, that shall be transferred to Palestinian sovereignty, and the third track referring to the absorption of refugees in the context of family reunification scheme. »
To a future Palestinian state	Number to be decided by the Palestinian Authority – absorptive capacity of West Bank/Gaza Strip; choice of refugees and alternative opportunities (host countries, emigration to third countries, etc.)	NA	M.Moratinos : « The Palestinian side did not present a number, but stated that the negotiations could not start without an Israeli opening position. It maintained that Israel's acceptance of the return of refugees should not prejudice existing programs within Israel such as family reunification. »	M.Moratinos : « The second track referred to the absorption of Palestinian refugees into the Israeli territory, that shall be transferred to Palestinian sovereignty... »
Compensation			M.Moratinos : »Both sides agreed to the establishment of an International Commission and an International Fund as a mechanism for dealing with compensation in all its aspects. Both sides agreed that "small-sum" compensation shall be paid to the refugees in the "fast-track" procedure, claims of compensation for property losses below certain amount shall be subject to "fast-track" procedures... The Palestinian side, however, said that this sum would be calculated on the records of the UNCCP, the Custodian for Absentee Property and other relevant data with a multiplier to reach a fair value. ... The Palestinian side raised the issue of restitution of refugee property. The Israeli side rejected this.»	According to the Israeli side the calculation of this payment would be based on a macro-economic survey to evaluate the assets in order to reach a fair value. ... There was also progress on Israeli compensation for material losses, land and assets expropriated, including agreement on a payment from an Israeli lump sum or proper amount to be agreed upon that would feed into the International Fund.

Sources : * where not stated otherwise, the quotes are excerpts from the Palestinian and the Israeli non-papers presented at the Taba talks in January 2001, as later published by Le Mond Diplomatique.

3.1.4 The Taba Non-papers

Many observers claim that Palestinians and Israelis were never closer to a « deal » than at Taba in January 2001. As can be seen from Table 4, the Beilin-Abou Mazen plan of six years before was very similar to the proposals at Taba.

Narrative

The Palestinian position at Taba was that Israel recognizes its moral and legal responsibility for the forced displacement and dispossession of the Palestinian civilian population during the 1948 war and for preventing the refugees from returning to their homes in accordance with United Nations General Assembly Resolution 194. The Beilin-Abu Mazen plan does not attribute responsibility to any of the parties.

Return and citizenship

Regarding the narrative, the Beilin-Abou Mazen plan puts down the Palestinian position unambiguously in the agreement, whereas the Israeli position is ambiguous regarding the right of return and reformulates it as a right of return to « a Palestinian state ». This is exactly the same as the position of the respective parties in the Taba negotiations, with the sole difference that in the Beilin-Abu Mazen plan both positions figure in the same draft-«agreement».

The Palestinian proposal at Taba is based on the framework set forth in UN General Assembly Resolution 194(III), 11 December 1948, and international law : the right of all Palestinian refugees to return to their homes and receive compensation for losses and damages. Those choosing not to return should be assisted in resettling and also compensated for losses and damages³⁷. Paragraph 5 of the Palestinian non-paper reaffirms that “all refugees who wish to return to their homes in Israel and live at peace with their neighbors have the right to do so.” Paragraphs 19 and 20 affirm the voluntary character of return as well as maintenance of the family unit and emphasize that refugees should be provided with information necessary for them to make an informed decision. Refugees are allotted five years to present their claim to return; implementation, however, is not subject to time limitations. Paragraphs 21-25 affirm the principle of safe return consistent with human rights and international law, including full enjoyment of civil and social rights. In order to facilitate return, Israel is called upon to modify internal laws as necessary.

However, also the Israeli proposal at Taba represents a significant improvement from details set forth in the 1995 Beilin-Abu Mazen plan concerning refugees, including

- recognition of at least a limited return of refugees to Israel ;
- unrestricted resettlement and citizenship in the Palestinian state ; and
- recognition of the right of host countries to compensation³⁸.

³⁷ These same principles are set forth in refugee law. UNHCR Executive Committee Conclusions 18 (XXXI), 1980 and 40 (XXXVI), 1985 recognize repatriation as the “most appropriate solution” for refugees. In addition, “The repatriation of refugees should only take place at their freely expressed wish; the voluntary and individual character of repatriation of refugees and the need for it to be carried out under conditions of absolute safety, preferably to the place of residence of the refugee in his country of origin, should always be respected.” Finally, the Conclusions call upon governments of origin to provide formal guarantees for the safety of returning refugees.

³⁸ For a detailed commentary of the Taba proposals, see: Terry Rempel (2001), *Principles and Mechanisms for a Durable Solution for Palestinian Refugees: The “Taba Proposals”*, Bulletin No. 10, Bethlehem: Badil Resource Center, November.

The principles and mechanisms delineated in the Israeli proposal at Taba, however, do not fully conform to the principles set forth in Resolution 194. The proposal does not recognize the right of return or right to real property restitution and imposes arbitrary restrictions on the principle of refugee choice.

Compensation

Regarding compensation, the Israeli and Palestinian positions at Taba looked quite different from the Beilin-Abou Mazen Plan – and went opposite ways. According to the latter compensation was to be paid following the establishment of an International Commission for Palestinian Refugees (ICPR). However, the Beilin-Abu Maze Plan was not clear about what the basis for the assessment of refugee claims would be, neither whether the approach was a lump-sum one, or a individual one. Payments should have been made « on the basis of both individual physical/moral loss and need of economic support to enable resettlement and rehabilitation ». However, it was not clear who (Israel, donor countries) would contribute and how contributions would be determined.

At Taba, the Israeli position at Taba envisaged a lump-sum payment, guided by the « dual objectives of individual historic justice and communal economic development »³⁹. In addition, at Taba « the Israeli side requested that the issue of compensation to former Jewish refugees from Arab countries be recognized, while accepting that it was not a Palestinian responsibility or a bilateral issue. The Palestinian side maintained that this is not a subject for a bilateral Palestinian-Israeli agreement »⁴⁰.

The Palestinian position at Taba was very similar to what the international community had established in Bosnia (see Section 3.2.1). A Compensation Commission (Paragraphs 42-50) should be mandated to evaluate Palestinian material and non-material losses, administer implementation of provisions of the agreement, and administer and adjudicate claims of real property by refugees. The Compensation Commission shall be composed of the Parties, US, EU, UN, World Bank and Donor States. This would strengthen the Commission's international legitimacy, and facilitate international financial support and transparency⁴¹.

Importantly, the Commission is authorized to use the records of the UNCCP, Israeli Custodian of Absentees' Property, UNRWA, and any other relevant records to verify claims. Within 6 months of the adoption of the agreement Israel is required to pass legislation to guarantee access to refugee claimants or representatives to Israeli archives to develop claims. The Compensation Commission also includes a dispute mechanism and appeals process for refugees.

Finally, the proposed agreement establishes an International Fund (Paragraphs 51-58) "to support and finance the implementation of the provisions" of the agreement concerning a durable solution for Palestinian refugees. The steering committee of the fund, mandated to mobilize, coordinate and manage international financial and other assistance, is to be composed of Palestine, US, World Bank, EU, Donor States, with

³⁹ Israeli non-paper, <http://www.mideastweb.org/Taba.htm>, last visited on 24/07/2002.

⁴⁰ Account of the Taba talks by EU envoy Moratinos available at .

⁴¹ Badil (2001), Principles and Mechanisms for a Durable Solution for Palestinian Refugees: The Taba Proposals", Bulletin No.10, November; available at http://www.badil.org/Publications/Bulletins/B_10.htm.

the World Bank and the UN acting as a joint-secretariat. In addition to donor funds, financial contributions are to be mobilized through compensation funds paid by Israel and multilateral funding instruments developed by the World Bank. Funds are to be used to support return, compensation, repatriation assistance, rehabilitation assistance, transitional costs and related socio-economic assistance⁴².

3.2 Information from other cases (Bosnia, Cyprus, South Africa)

Two of these cases have seen agreements and substantial implementation (Bosnia and South Africa). The third case (Cyprus) is not resolved, but the UN made detailed proposals on the treatment of refugees and compensation in its 1994 Set of Ideas, which are a further reference.

Central in the two cases where settlements have been agreed upon and implemented are

- the principles guiding the negotiations (such as respect for human rights, or the right of refugees to return to their properties in the case of Bosnia) have been fixed in the initial agreement;
- the formal recognition by all sides of past violations which are not to be repeated as part of the initial agreement (complemented in the case of South Africa by the Truth and Reconciliation Commission, in the case of Bosnia the War Crimes Tribunal); and
- safeguards for both sides in order for violence not to recur, through binding reference to international human rights and humanitarian, as well as citizenship law, bolstered through institutional arrangements.

All three cases involved trade-offs between self-determination and respect for individual human rights and citizenship rights. In the case of South Africa and Bosnia, a deal was found through complex institutional structures allowing for a mix of federal and provincial powers and autonomy, while guaranteeing human rights to all individuals whatever their ethnic background and in whichever part of the territory they may live. It was thus ensured that human and citizenship rights were in line with the prescriptions of international law in this area⁴³.

In both cases a very strong legal framework guaranteed individual rights and in the case of Bosnia, this its implementation is monitored internationally, not least through international representatives in federal institutions.

The Right of Return and implementation mechanisms

- In all three cases presented above, both the individual right of refugees to return to their homes and to be compensated for lost property have been

⁴² Palestinian non-paper as published by Le Monde Diplomatique and Badil (2001), Principles and Mechanisms for a Durable Solution for Palestinian Refugees: The Taba Proposals", Bulletin No.10, November; available at http://www.badil.org/Publications/Bulletins/B_10.htm.

⁴³ The annex to the Constitution of the Federation lists human rights instruments that are incorporated into the Federation Constitution, and therefore are binding in the territory of the Federation. The instruments that deal with citizenship include: the 1948 Universal Declaration of Human Rights; the 1950 European Convention for the Protection of Human Rights and Fundamental Freedoms, and the Protocols thereto; the 1951 Convention Relating to the Status of Refugees and the 1966 Protocol thereto; the 1957 Convention on the Nationality of Married Women; the 1961 Convention on the Reduction of Statelessness; the 1966 International Covenant on Civil and Political Rights and the 1966 and 1989 Optional Protocols thereto; and the 1989 Convention on the Rights of the Child.

recognised in principle in the agreement (or the blue-print for an agreement in the case of Cyprus) ;

- There are *no numbers* of returnees or properties returned agreed upon *in any of the initial agreements a priori, but rather principles* agreed upon in the agreement, such as certain rules to deal with conflicting claims by current and past users/owners of the properties concerned⁴⁴;
- The details of how the return is organised and how many return in practice are left to the implementation mechanisms in all cases. In the case of Bosnia, the UNHCR has been given a prominent role in this process. Citizenship issues did not arise in any of the three cases, as the refugees were allowed to return anywhere in the territory of the state in which their original properties were located.
- In order to enable the return of the refugees – who in all cases have to return to areas where they were subject to serious human rights violations and/or harrasment – specific legal and institutional mechanisms were set-up (or proposed in the case of Cyprus), in order for refugees to be free of fear and thus able to make a real choice whether or not they want to return to their homes or areas of origin, or to live elsewhere.

Compensation

- In the case of Bosnia the implementation of compensation has been handed over to a commission, which is composed of representatives of all the communities concerned (four appointed by the Federation of Bosnia Herzegovina, two by the Republika Srpska) plus three by the European Court of Human Rights. In Bosnia, compensation only addresses the loss of property if the rightful owner is unwilling or unable to return and live in his/her property.
- In South Africa, the a court was set up to deal with property claims, which in status is equal to the South African Constitutional Court⁴⁵. In addition to the court (which had to adjudicate between the rights of present owners/users and those claiming their historical rights), guarantees of future civil, social, economic and cultural rights became the primary focus in adressing past wrongs.
- In the case of Cyprus, the UN proposed in 1994 an exchange of property at community level at the value of the property at the time of expropriation plus inflation.

⁴⁴ For example in the case of Cyprus, it was proposed by the UN that in principle refugees willing to return would be allowed to do so, once those living in his property have been successfully relocated. « If the current occupant is also a displaced person and wishes to remain, or if the property has been substantially altered or has been converted to public use, the former permanent resident will be compensated or will be provided an accommodation of similar value. » (Set of Ideas).

⁴⁵ The Land Claims Court was established in 1996. It is a specialist court which performs an independent adjudicatory function. It hears disputes arising from those laws which underpin South Africa's land reform initiative. These are the Restitution of Land Rights Act 22 of 1994, the Land Reform (Labour Tenants) Act 3 of 1996 and the Extension of Security of Tenure Act 62 of 1997. The Land Claims Court enjoys the same status as the High Court of South Africa. Appeals lie to the Supreme Court of Appeal and, in appropriate cases, to the Constitutional Court. See: <http://wwwserver.law.wits.ac.za/lcc/about.html>.

4 Potential scenarios for a resolution of the refugee issue within the premise of a Taba-type settlement of the conflict

Official negotiation processes have left the future of the refugees largely undetermined. While the Taba talks got close to a map of a two-state solution, the refugee chapters of the Oslo-to-Taba processes did not get far in defining a solution.

On the Israeli side, fears of having to compromise the Jewish character of the state of Israel, and the real costs associated with returning expropriated properties and paying potentially very large amounts of compensation have caused Israeli negotiators to stop short of recognising Palestinian refugee rights as they are laid down in international law⁴⁶.

On the Palestinian side, international and Israeli pressure on the one hand, as well as fears in the Palestinian community within WBGS and the diaspora on the other, have determined the PA's strategy. Israel and its international allies were looking for guarantees written into an agreement regarding the limitation of the number of refugees returning to their homes and properties inside Israel.

Given the balance of power in the negotiations, this has led international donors to focus in their studies on scenarios for potential solutions on the absorption capacity of the WBGS, Arab host countries and the West. Also, there was at least a general agreement on the return of displaced persons to WBGS, and thus studies were done on the basis that they would not prejudice the outcome of eventual final status talks (in particular in view of the fact that roughly half of those displaced during the 1967 war were also 1948 refugees who would ultimately claim their right to return to their homes and properties in Israel).

While studies were performed on return of displaced persons, always with the caveat that such studies would not prejudice the outcome of the final status talks, the PA faced enormous Israeli and international pressure to give in from on its position at Taba and consequently did not publish any scenarios that could bolster its previous position. Any hint at Resolution 194 by the PA has always been considered proof of the lack of « realism » and « reasonableness » of the PA by the Israeli establishment⁴⁷.

⁴⁶ See for example Gideon Loewy's article "The Fear of Return" in Haaretz, 17 August 1997; also Uri Avnery's article on the Right of Return from 14.01.2001, where he refers to the Right of Return as "the new scarecrow" after the PLO Charter.

⁴⁷ Ariel Sharon on Palestinian refugee return: « If these people find themselves resettled once again in miserable refugee camps in Judea, Samaria and Gaza, gazing out from them upon their towns and the remains of their former villages, the tension and anger will be enormous. We cannot count on their wanting to stay put in their current places of residence, whatever the government placatingly tells us....

The Palestinian refugee problem is a tragedy the Palestinians brought upon themselves. But one tragedy must not be replaced by another."

"If we want to continue living in this country, a solution to the refugee problem must be found elsewhere - even if it goes against the Camp David accords." - Sharon, « Arab Peace Ambush ».

Shimon Peres characterises the "right of return" as:

« ...a maximalist claim; if accepted, it would wipe out the national character of the State of Israel, making the Jewish majority into a minority. Consequently, there is no chance that it will be accepted, either now or in the future. »

On the other hand, the PA has been subject to pressure from the refugee community within the WBGS, but also from the diaspora not to compromise on the right of return as a basic right firmly rooted in international law. The NGO and refugee rights community have repeatedly expressed their outrage at what they saw as attempts by the PA to assuage Israeli fears by giving up the right of return in advance of any negotiations (see for example the open letter of Palestinian civic organisations in response to Sari Nuseibeh's published speech at the Hebrew University in autumn 2001, and also responses to President Arafat's Op-Ed in the New York Times earlier this year⁴⁸).

The international community, and in particular the European Union is caught in a dilemma: on the one hand it supports a solution only if it respects the choice of the refugees⁴⁹, on the other it is keen to reassure Israel that refugee choice will not include the choice of returning to their homes and properties as expressed in resolution 194 and as implemented in other international conflicts where refugee repatriation has become more and more common⁵⁰.

In addition to the Israeli and the Palestinian sides, the host countries have been imposing their views on the future of the refugee communities living in their midst by strictly opposing any moves by which would encourage host country resettlement. The principle of giving the refugees the choice between repatriation and resettlement implies that the host countries should be ready to integrate those refugees which are not willing to return to their homes and properties. Thus any solution to the refugee problem, as pointed out by a number of Middle East analysts⁵¹, needs to be based on respect of refugee rights not only by the two parties to the conflict, but also by those currently hosting Palestinian refugees.

In what follows the political and to the extent possible the economic constraints faced by the various actors are explored in a logical framework which starts off with survey information available on what the damaged party, or the refugees want. Then we go

⁴⁸ The much criticised statement by Sari Nuseibeh's at his speech at the Hebrew University in Jerusalem was: "The Palestinians have to realise that if we are to reach an agreement on two states, then those two states will have to be one for the Israelis and one for the Palestinians, not one for the Palestinians and the other also for the Palestinians". The much criticised part of Arafat's Op-Ed in the New York Times, 3 February 2002 read: "In addition, we seek a fair and just solution to the plight of Palestinian refugees who for 54 years have not been permitted to return to their homes. We understand Israel's demographic concerns and understand that the right of return of Palestinian refugees, a right guaranteed under international law and United Nations Resolution 194, must be implemented in a way that takes into account such concerns."

⁴⁹ Interviews with EU Commission officials.

⁵⁰ UNHCR Executive Committee Conclusions 18 (XXXI), 1980 and 40 (XXXVI), 1985 recognize repatriation as the "most appropriate solution" for refugees. In addition, "The repatriation of refugees should only take place at their freely expressed wish; the voluntary and individual character of repatriation of refugees and the need for it to be carried out under conditions of absolute safety, preferably to the place of residence of the refugee in his country of origin, should always be respected." [Italics added] Finally, the Conclusions call upon governments of origin to provide formal guarantees for the safety of returning refugees. This is in line with the way in which recent ethnic conflicts have been resolved, including the Bosnian case described in section 3.1.

⁵¹ Refugee rights host countries are subject to United Nations Refugee Convention of 1951 or the Refugee Protocol of 1967, which protect the rights of refugees and asylum seekers. In addition to the legal aspect, Nadim Shehadi, Director of the Centre for Lebanese Studies at the University of Oxford, has pointed out in a recent article that a solution for the refugee issue, as well as Jerusalem need to be negotiated on a multilateral basis in order to provide real options for the refugees. The reason is that if all the surrounding countries agree to a solution will the PA have the political support it needs in order to avoid appearing as "selling out". Refugee advocates follow a similar reasoning, although they insist that prior to any negotiations of potential solutions, the rights of refugees need to be recognised by all the parties involved in order to avoid the conflict to drag on due to the continuation of Palestinian refugees' status as an underclass in whichever country they may live in.

on to discuss what the various stakeholders would be willing or able to give in terms of resolving the issue of exile and enabling a durable settlement of the conflict. Central to a durable settlement are citizenship rights, which have been denied to Palestinian refugees for over 50 years. Finally, the monetary conditions which are currently discussed by the actors as part of a solution to the conflict are discussed, and included are both, the aspect of compensation, and that of development aid for building a new future.

As mentioned above, the development of detailed scenarios has been largely determined by the relative power of the main players in the negotiation process. In addition, even those scenarios developed by the international donors and the PA are not publicly available. However, the details of how each individual case might be resolved cannot be worked upon without clarity on the main political and economic parameters of a solution. In what follows, the main possible scenarios for a resolution will be discussed. Most of the sources used are publicly available. In some cases details could be inferred from publicly available material, and we indicate where this is the case.

We start off from what has come to be referred to as the « Clinton parameters ». The options for Palestinian refugees envisaged in the Clinton parameters provide a logical framework which can easily be used to delineate all possible options for a resolution of the refugee issue⁵² :

1. Return of refugees to their homes and properties in Israel ;
2. « Return » to future Palestinian state ;
3. « Return » to territory which, while today in Israel, would be transferred to a Palestinian state ;
4. Resettlement in the present country of residence ;
5. Resettlement in another Arab country ; or
6. Resettlement in a non-Arab third country.

In what follows, each we will flesh out the political and economic constraints faced in each case by each of the parties involved. The main questions which are addressed in this framework are :

1. What will be the quantities of people living in which destinations?
 - Demand side: what destinations do the refugees want?
 - Supply side: what might the absorptive capacities (political, societal, economic) of possible destinations?
2. What will be the citizenship rights (non-monetary) of the former refugees?
 - Demand side: what do the refugees want?

⁵² The Clinton parameters are in essence what was presented in the Israeli non-paper at the Taba talks. The text of the Clinton parameters is given in Appendix x for reference. According to President Clinton,

- Israel would not have to recognise its moral responsibility in creating the refugee problem, but would « acknowledge the moral and material suffering caused to the Palestinian people as a result of the 1948 war » (thus putting the blame on those who started the war : Arab countries who attacked the newly declared Israeli state) ; thus
- Israel also acknowledges « the need to assist the international community's effort in addressing the problem.
- « The president knows the history of the issue and how hard it is for the Palestinian leadership to appear to be abandoning this principle. At the same time, the Israeli side could not accept any reference to the ROR that would imply a right to immigrate to Israel in defiance of Israel's sovereign policy on admission or that would threaten the Jewish character of the state ».

- Supply side: what might the destinations willing to offer?
3. What will be the monetary conditions accompanying a resolution?
- Demand side: what are the needs and claims of the refugees
 - Supply side: what might the financiers willing to offer?

While much is unknown, we do not start from zero. We now sketch into the above framework what we do know, or what some independent experts have been willing to advance.

As a starting point, Table 3 gives an estimate of today's population of Palestinian refugees by country of residence. The highest number of refugees today live in Jordan, with approximately 2m, followed by the occupied West Bank and Gaza Strip, with a total of 1.6m refugees. Syria and Lebanon together host roughly 900,000 refugees, and other Arab countries together host about 300,000 Palestinian refugees. About 200,000 refugees live in the US, and about 250,000 live in other non-Arab countries.

Table 3: Today's Palestinian refugee population (as of 2002):

Place of refuge	Number of refugees
Israel	276,250
Gaza Strip	876,196
West Bank	746,654
Jordan	1,992,049
Lebanon	466,628
Syria	508,845
Egypt	46,282
Saudi Arabia	314,239
Kuwait	39,308
Other Gulf	120,747
Iraq, Libya	84,957
Other Arab Countries	6,340
USA	197,913
Other Countries	252,022
Grand Total	5,928,430

Source: Salman Abu-Sitta, *The Palestinian Nakba. The Register of Depopulated Localities in Palestine*. London, The Palestine Return Center 1998. Figures updated to 2002 using a 3.5% population growth rate.

The figures for refugees living in the Arab countries vary, as Palestinians living in the Gulf usually have identity cards for Lebanon and Syria, but only temporary work and residency permits for the Gulf states. Similarly, Palestinians living in other Arab countries, such as Libya or Egypt, may live there on a precarious basis, as has been illustrated in 19xx, when x Palestinians with Lebanese identity cards were expelled from Libya, ending up living in tents in no mans land for x years.

The number of UNWRA registered refugees is lower than the total due to the fact that UNWRA's area of operations does not cover all countries refugees fled to, that registration is voluntary, and the criteria used by UNWRA which state that only the children of male refugees can be registered.

Table 4 : UNWRA registered refugees in 2002

Field of Operations	Official Camps	Registered Refugees	Registered Refugees In Camps
Jordan	10	1,697,108	298,029
Lebanon	12	396,377	222,243
Syria	10	405,359	113,297
West Bank	19	629,042	168,849
Gaza Strip	8	882,468	476,132
Agency total	59	4,010,354	1,278,551

Source: UNWRA, <http://www.un.org/unrwa/refugees/me.html>, figures as of 30 June 2001, updated to 2002 figures by assuming a 3.5% population growth rate; *World Bank Country Profiles, year 2000.

4.1 Demand side: what destinations do the refugees want?

The surveying of Palestinian refugee attitudes by sub-group is politically sensitive and difficult to achieve. No systematic study where the same questions are asked to refugees wherever they may live has been done to date. However, several indicative surveys of different refugee communities exist.

A statistical survey by Elia Zureik on Public opinion and Palestinian refugees, conducted in 1999⁵³, compares the opinions of Israeli Jews, Palestinians in Israel and WBGS toward the issue of Palestinian Refugees. Even though the sample included of Arab Israelis included only a minority (23.2%) of internally displaced, and it is not reported how many of the persons interviewed in the Westbank were refugees. Given that most of the population in Gaza are 1948 refugees, it can be assumed that most Gazan respondents were refugees.

Table 4 : Which of the following solutions to the refugee issue is most just in your opinion?

Most Just Solution	Palestinians in Israel (N=500)	Israeli Jews (N=500)	Palestinians in the Westbank	Palestinians in Gaza
a) UN Resolution 194	61.4	4.5	81.1	82.6
b) Return of a limited number	22	14.9	10.4	12.2
c) Only those approved by Israel	5	56.8	3.5	1.8
There is no refugee problem	1.6	0.2	0.5	0
Don't know	9.2	5	-	-
No answer	0.8	18.7	4.5	3.4
Total	100.00%	100.00%	100.00%	100.00%

⁵³ Elia Zureik (1999), Public Opinion and Palestinian Refugees, Queen's University, Kingston, Ontario, Report submitted to the International Development Research Centre, Ottawa, December.

Source: Elia Zureik (1999), *Public Opinion and Palestinian Refugees*, Queen's University, Kingston, Ontario, Report submitted to the International Development Research Centre, Ottawa, December.

The Right of Return as a principle

In excess of 80% of Palestinians in the West Bank and Gaza defined a just solution to the refugee problem in terms of applying the United Nations Resolution 194, while a very small number opted for leaving a just solution to be decided solely by Israel (1.8% for Gazans and 3.5% for West Bankers). Between 10 and 12 per cent of both groups said that a just solution involves the return of a limited number of refugees, depending on negotiations between Israel and the Palestinians. Among the Palestinians in Israel, the corresponding figure is 22%.

A survey produced jointly by Oxfam and the Jerusalem Media and Information Centre broadly confirms these results. Interviewing only Westbank and Gaza residents, 88.3% of male interviewees, and 83.9% of female interviewees said that a solution should be based on UN resolution 194.

Palestinian refugees in Syria consider the right of return (UN Resolution 194 of 1948) as the only basis for a fair solution accepted by refugees themselves. A poll based on a sample of 200 refugees in Syria revealed the following results:

- 98 percent of Palestinian refugees in Syria prefer to return back to their homeland in Palestine ;
- 1 percent would consider resettlement in areas under full Palestinian control in the West Bank and Gaza; and
- 99 percent reject any resettlement or transfer proposals⁵⁴.

A survey of Palestinian refugees in Lebanon, conducted in 1994 among 600 respondents, focused on several issues dealing mainly with the consequences of the peace agreement between Israel and the Palestinians (Sha'ban 1994)⁵⁵. Seventy percent of the refugees in Sha'ban's sample opposed resettlement in Lebanon, and 82% said that they would like to live in Palestine in the future. Only 8% chose Lebanon as their first choice of future residence. However, when asked to choose a country of residence in the event that they could not return to their original homes, 45% named Lebanon, 20% Europe, 6% the Americas, and 6 percent named other Arab countries. 15% did not choose any country. Around half of the well-to-do refugees and the older groups named Lebanon as their preferred country, if they were not allowed to return to Palestine. The majority of the young and educated rejected Lebanon as a place for permanent settlement.

In a survey of Palestinian refugee camps in 1991, Basma Kodmani-Darwish studied a total of 406 respondents: 150 from Jordan (Wihdat, Jabal el-Hussein, Jarash, Zarqa, Martyr, and Baqa'a camps, in addition to interviews with Palestinians from Amman, Wadi el-Sir, Zarka, Irbid, Soueileh, and Al-Aghwar) and 256 from Lebanon (100 respondents from the Beddawi and Nahr el-Bared camps in the north, 78 respondents from Ein el-Hilweh camp in the south, and a similar number from Bourj

⁵⁴ Source: <http://rightofreturn.org/frames.html>. The poll was conducted by Dr. Nabil Mahmoud between March and April 1998, taking into consideration the demographic, sex and age distribution ; quoted in al-Majdal, issue no. 4, December 1999, p. 19.

⁵⁵ Sha'ban, Radwan and Samia A. Al-Botmeh (1995). *Poverty in the West Bank, Gaza, and Jerusalem*. Jerusalem: Palestinian Economic Policy Research Institute. The results are reported in: Zureik, E. (1996), *Refugees and the Peace Process*, Washington DC: Institute for Palestine Studies.

el-Barajneh camp in the center of the country). Amongst the Lebanese respondents, a clear consensus emerged with regard to the right of return, with more than 90 percent saying that exercise of their right of return was essential for settling the conflict, as a matter of principle and justice.⁵⁶

A British parliamentary committee composed of Labour Middle East Council, Conservative Middle East Council, Liberal Democrat Middle East Council (London, March 2001)⁵⁷ has published a report following a fact-finding trip amongst the refugee communities, academics and policy makers in the region. The main conclusion regarding the refugees' attitudes towards the right of return and mechanisms for its implementation was:

« Most remarkable was the cohesion and consistency amongst refugees. Given the prominence certain refugees (like those of Lebanon) had been given over others in both the media, among experts and by those involved in the Oslo peace process, as well as the wide diversity of situations Palestinians found themselves in, the Commission was surprised and impressed by the unity of views on almost every issue of note for the refugees. Certain positions that could be seen to divide the refugees, since they involved a possible enhancement of their personal interests over other groups of refugees, were confronted outright by the refugees themselves. ... Everywhere we went, refugees shared the view that the right of return must apply to all refugees, no matter what their current physical or financial position, wherever they were. »⁵⁸

Feasibility of implementation - Is it feasible to apply United Nations Resolution 194 for solving the refugee issue?

According to Zureik's survey, the percentage agreeing to this varied from 66.8% for West Bankers and 58% among Gazans, to 49.2% for the Palestinians in Israel. The corresponding figures among the three groups who advocated the return of a limited number of refugees in the context of negotiations were as follows: 15.7%, 24.2%, and 29.6%, respectively.⁵⁹

The survey by Oxfam/JMCC notes that « between refugees and non-refugees, there is not a great difference of opinion over the « most feasible » solution to the refugee issue. » Refugees are slightly more likely to say that a solution based on international law is the most feasible solution (65.2% as opposed to 62.6% of non-refugees), while non-refugees are slightly more likely to say either a negotiated solution or a return approved by Israel is the most feasible (18.5%). Only a tiny minority (0.4%) of all respondents said that only those approved by Israel should be allowed to return and compensation given to those who do not return⁶⁰.

⁵⁶ Kodmani-Darwish, Basma. 1994. The Palestinian Question: A Fragmented Solution for a Dispersed People. Ph.D. thesis, Institute d'Etudes Politiques, Paris. The results are reported in: Zureik, E. (1996), Refugees and the Peace Process, Washington DC: Institute for Palestine Studies.

⁵⁷ Right of Return, Joint Parliamentary Middle East Councils Commission of Enquiry — Palestinian Refugees, London, March 2001.

⁵⁸ Right of Return, Joint Parliamentary Middle East Councils Commission of Enquiry — Palestinian Refugees, London, March 2001, pp.22-23.

⁵⁹ Elia Zureik, Elia Zureik (1999), Public Opinion and Palestinian Refugees, Queen's University, Kingston, Ontario, Report submitted to the International Development Research Centre, Ottawa, December.

⁶⁰ Daneels, I. (2001), Palestinian Refugees and the Peace Process, An analysis of public opinion surveys in the West Bank and Gaza Strip, A joint project of Oxfam Great Britain and the Jerusalem Media and Communication Center (JMCC), pp.69-70.

In Syria, several resettlement projects have been proposed for Palestinian refugees since the beginning of the 1950's. The first proposal to resettle Palestinian Refugees in Syria in an area between the Turkish, Iraqi, and Syrian borders was completely rejected by the refugees.⁶¹

About 50 percent of Kodmani-Darwish's 1991 respondents in Lebanon said they would choose to live in the West Bank and Gaza. However, this was more a product of necessity than free choice, with around one-third attributing this choice to their possible expulsion from Lebanon. However, even for those who chose not to live in the new Palestinian entity, the majority would want to exercise their right to establish residency there, even on a temporary basis, and to obtain a Palestinian identity card.⁶²

However, in a later survey performed by... Lebanese refugees expressed a preference for resettlement in Lebanon rather than resettlement in a future Palestinian state in the West Bank and Gaza Strip.

Very little information is available on Palestinians in Jordan. Despite the fact that Palestinians in Jordan enjoy citizenship rights, there is tension between Jordanians and Palestinians. According to Kodmani-Darwish only 13% of the Palestinians she surveyed felt very close to Jordanians, compared to 50% who felt close to Palestinians in the occupied territories. One-third of the Palestinians questioned said they would remain in Jordan under any circumstances⁶³.

Only 6% said that the situation in Jordan was unbearable enough to make them want to leave. 37% saw Jordan as a substitute state, whereas 49% rejected the proposition. However, 56% endorsed the idea of Palestinian-Jordanian confederation.

These polls were taken at different points in times, and of different constituent groups of the refugee community. In particular, Palestinians in Jordan, over half of which are 1948 refugees with relatives living mainly in camps in the Westbank rather than inside Israel (such as is the case with refugees in Lebanon and Syria), show different attitudes compared to those in Lebanon and Syria.

Quoting a representative opinion by one of their interviewees, the British Commission of enquiry concludes with the following statement by one refugee:

"We do not mind even to live with our Jewish neighbours, side by side. We were asked: if there was a settlement which was built on a Palestinian village, what would you like to do with it? The answer is simple, we will live side by side with the Israelis."

"Even if we end up with a state on every single inch that was occupied in 1967; even if we dismantle all the Israeli settlements in the West Bank and Gaza; even if we restore all the land of Jerusalem and have full sovereignty over East Jerusalem; if we have a 100% sovereign Palestinian state, in my opinion, this

⁶¹ Badil (2000), *Palestinian Refugees in Exile, Country Profiles*, Badil Resource Center for Palestinian Residency and Refugee Rights, Bethlehem, p.34.

⁶² The results are reported in: Zureik, E. (1996), *Refugees and the Peace Process*, Washington DC: Institute for Palestine Studies.

⁶³ Kodmani-Darwish, Basma (1994). *The Palestinian Question: A Fragmented Solution for a Dispersed People*. Ph.D. thesis, Institut d'Etudes Politiques, Paris. The results are reported in: Zureik, E. (1996), *Refugees and the Peace Process*, Washington DC: Institute for Palestine Studies.

will never solve the basic element of the Palestinian-Israeli conflict - namely the issue of the refugees."⁶⁴

Summary

There is a very clear consensus amongst Palestinian refugees and non-refugees in any of the locations and in any point in time that any settlement needs to include the recognition by Israel in principle of the Right of the Refugees to Return to their homes and properties as expressed in UN Resolution 194.

Differences between different refugee sub-groups and different time periods when the surveys were taken exist as to the preferences of refugees regarding second-best options, i.e. third country resettlement or « return to a future Palestinian state ». There are some indications that a minority of Palestinians (15.7%, 24.2%, and 29.6%, respectively in the Westbank, Gaza Strip and Israel) are willing to compromise on the number of those returning to their homes and properties. However, when asked whether they agreed that only those approved by Israel should be allowed to return, only 0.4% Palestinians in the Westbank, Gaza Strip and Israel have accepted this.

Whereas Lebanese and Syrian refugees generally opposed any settlement which would imply the loss of their right to return to their homes and properties, Lebanese respondents expressed different preferences regarding the second-best option if this right were denied to them. In an early survey (1991) they expressed fears of expulsion, and as a consequence half the respondents expressed a willingness to relocate to a Palestinian entity in WBGS. In a more recent survey refugees expressed a preference of staying in Lebanon over « returning to a homeland in a future Palestinian state. »

4.2 Supply side: what are the economic and political constraints in each potential scenario?

Refugees return to their homes and properties inside Israel:

Political Constraints

According to the account of the Taba talks by EU envoy Moratinos, "The Israeli side, informally, suggested a three-track 15-year absorption program, which was discussed but not agreed upon. The first track referred to the absorption to Israel. No numbers were agreed upon, but with a non-paper referring to 25,000 in the first three years of this program, (40,000) in the first five years of this program did not appear in the non-paper but was raised verbally)."

"The second track referred to the absorption of Palestinian refugees into the Israeli territory, that shall be transferred to Palestinian sovereignty, and the third track referring to the absorption of refugees in the context of family reunification scheme. »

The Israeli approach in the negotiations has always been to avoid the recognition of its responsibility for creating the refugee problem, and for denying the right of return

⁶⁴ Right of Return, Joint Parliamentary Middle East Councils Commission of Enquiry — Palestinian Refugees, London, March 2001, pp.22-23.

as understood in international law. In this context, Israeli negotiators have repeatedly insisted that – rather than recognising the right of return as expressed in Resolution 194 – a limited number of refugees (under the Beilin-Abu Mazen plan family reunions, under Taba a few thousand more, but always subject to Israeli approval) should be allowed to return on « humanitarian grounds ». This, in conjunction with third-country resettlement and compensation would then be considered the « implementation » of Resolution 194, and the PA would sign an end-of-claims clause.

Although the position presented by the Israeli negotiations at Taba has always been regarded as a position of a minority, opinion polls performed by the JMCC does not necessarily confirm this. One survey performed before the outbreak of the second intifada, in 1999 reports regarding the prime responsibility for creating the refugee problem that

- 11.8% of Israeli Jews blamed Israel only (4.8%) or mostly (7.0%) ;
- and 35.5% blamed both Israel and the Arab side ; and
- a total of 43.3% blamed only (21.1%) or mostly (22.2%) the Arab side, and close to 10% did not know.

Regarding the right of return,

- 11.5% of the Jewish Israeli respondents to the survey said that anyone wishing to return should be allowed to do so ;
- close to 43% of Israeli Jews said no refugee should be allowed to go back ; and
- around one-third (32.6%) approved of the return of a limited number - from "few hundreds" to "few thousands" - in the context of negotiations between Israel and the Palestinians.

Regarding the question of where Palestinian should be refugees settled

- a majority of the Jewish sample (57.2%) said that they should be settled in their present locations in the Middle East and elsewhere ;
- one-third mentioned the Palestinian state as a possible place for absorbing the refugees ; and
- only 5.3% approved of their return to their homes in Israel.

51% left it for Israel solely to decide on the feasibility of solving the refugee problem. Around one-fifth of Israeli Jews endorsed the return of a limited number of refugees depending on negotiations between Israel and the Palestinians. Naturally, as Palestinian public opinion changes as the political climate changes, so does Israeli public opinion. It can therefore be assumed, that were these same questions asked now, the answers of Israeli citizens would differ.

Economic Constraints

On the Israeli side no studies have ever been performed on the economic feasibility of absorbing Palestinian refugees in their former places of residence.

However, there are some sources which give an indication of Israel's economic constraints regarding the absorption of additional citizens. Several Palestinian NGO's have performed studies to a limited extent. Then there are Israeli forward plans and past experience with the absorption of new Jewish immigrants. Finally, grass-roots projects by Palestinian NGO's such as Badil, aiming to test the ground for

repatriation and reconciliation indicate that much can be done in order to eliminate perceptions of fear and mistrust on both sides⁶⁵.

Palestinian researchers, most notably Salman Abu-Sitta base their argument for the feasibility of refugee return on historical and geographical facts. Today 86% of the refugees live in historical Palestine and within a 100 mile radius around it. Abu-Sitta argues there is enough space in Israel to accommodate returning refugees. Similar to the division of WBGS into zones under Oslo, he divides Israel into areas A, B, C and D, showing that:

- Area A has a population of 3,013,000 Jews (as of end 1997), which is the same area and largely the same location as the land which the Jews purchased or acquired in 1948. It measures 1,628km square, or 8% of Israel. In this area live two-thirds of Israel's Jewish population.
- Area B has a mixed population. It's area is 6% of Israel, and is just less the the land of Palestinians who remained in Israel. A further 10% of Israeli Jews live there.
- Area C, or 86% of Israel, is largely the land the Palestinian refugees came from, and there are about 860,000 Israeli Jews living either in originally Palestinian towns or nearby established towns.

Abu-Sitta argues that the rural areas in area C are controlled by 200,000 Jewish Israelis who mainly live and work in Kibbutzim, producing 1.8% of Israel's GDP, but use 75% of Israel's water resources (the southern zone C according to Abu-Sitte uses 500 million cubic meters of water per year, which is equal to the entire water resources of the West Bank currently confiscated by Israel).

Abu-Sitta advances two ideas for refugee return. The first one envisages that the registered refugees in Lebanon (362,000) are allowed to return to their homes in the Galilee, whereby Jews would still remain a mjority in all areas. If 760,000 refugees in Gaza are allowed to return to their homes in the southern part of zone C (get electronic copy of Abu-Sitta's map !!), with the percentage of the Jewish majority in this area dropping only by 6%.

The argument about limits to resources such as water in Israel as a reason for the impossibility of return is flawed, as most of the refugees live very close to the place they would return to, and resources such as water can easily be transported, as is shown by the use of water resources from the Westbank in Israel today.

In addition, figures on new immigrants and Israeli plans for immigration show that it is economically feasible to accomodate a higher population in Israel.

- New immigrants since 1948, especially decade of 1990s ;
- Israel's forward planning for new Jewish immigrants over the next decade.
- Costs associated with maintenance of settlements ;
- Subsidies extended to new immigrants, costs associated with integration

Of course, all of these arguments contain little detail as to the economic aspects of integrating refugees and immigrants, such as their integration into local labour markets, or infrastructure issues. Whereas the former has traditionally been taken care of very well by Israeli authorities, the former would merit closer attention.

West Bank and Gaza Strip

Political Constraints

The political constraints limiting immigration of refugees into a future Palestinian state in the WBGS are related to the perception amongst the refugee community that their right of return should be recognised by the parties as it is recognised in international law. As mentioned above, it is difficult for the PA to negotiate a deal that does not find the support of the majority of its constituency in the WBGS.

In addition, the refugee community living in West Bank is not the sole political constraint faced by the PA. Ultimately, the refugees living in the Gaza Strip and neighbouring host countries as well as host country governments impose limits on any solution the PA may propose in a number of ways :

- The non-recognition of the rights of about 5m people, the lack of a solution of the plight of roughly 3m people living without citizenship and associated rights represents a destabilising factor not only in the host countries themselves, but for the region as a whole.
- The non-inclusion of host country governments in negotiations of a solution of the refugee issue may serve to exacerbate the situation, especially if for example it would encourage the further marginalisation or even expulsion of Palestinian refugees from Lebanon⁶⁶.
- If the PA as the weaker party to the negotiations is forced to compromise on the core issue in the conflict, namely the plight of those who have been suffering most as a consequence, it needs the support of the host countries, as well as the constituencies on whose behalf it is negotiating, in order to ensure that any agreement will not collapse immediately after being signed.

The PA's planning has so far taken into account only the return of the so-called displaced persons (of the 1967 war), and has considered the return of those displaced as a first step, which could be realised even before a final status agreement. Given that over half of those displaced as a result of the 1967 war were second-time refugees originally made homeless in 1948, the argument was brought forward that a return programme for the displaced persons could even serve as a prototype for a later return programme for refugees to their homes and properties⁶⁷.

Economic Constraints

Gaza Strip is obviously has a very high population density. Almost 4000 persons per km² are living crammed into refugee camps (approximately 1,132,063 persons in 360km² with higher concentration in camps such as Jabaliye)⁶⁸. Even if some of the camps could be redeveloped it is assumed that a passage between Gaza and Westbank is needed in order to create opportunities for Gaza's population to work.

The Westbank and the Gaza Strip taken together are currently home to about 3m people. In projecting population growth through 2025, the Palestinian Central Bureau of Statistics (PCBS) has projected that, given 500,000 returnees, 4.9m people would inhabit WBGS by 2010, and 7.4m by 2025⁶⁹.

⁶⁶ Suhail Natour, Nadim Shehadi

⁶⁷ Dumper, M. (2001), ..., p.78.

⁶⁸ <http://www.maptown.com/geos/gazastrip.html>, data for the year 2000.

⁶⁹ Dumper, M (2001), p.30.

Given a state of assets and land ownership before the outbreak of the current uprising, several studies provided estimates on the resources required to accommodate demographic changes associated with a refugee influx within the general development plans for WBGS. A study by the Exeter refugee study team addresses the PA's planning priorities under the scenarios that between 500,000 and 2m persons displaced during the 1967 return to the WBGS. The paper clearly points out that the absorptive capacity of the WBGS depends crucially the general economic development of the WBGS – which already before the uprising started was in order to even accommodate the employment needs of the growing current population.

Generally there have been two different approaches to « plan » the absorption of displaced persons in the WBGS. Whereas the PA's departments have taken the approach of planning return in the way of large scale projects, where unit cost figures are calculated for a range of returnee needs (housing, roads, water and schools), the identification of possible absorption areas, etc, another school of thought (including the World Bank, the PA's Negotiations Affairs Department, and ANERA staff)⁷⁰ have argued that incremental increases in population are easier to accommodate.

Whereas the first school aims to organise and implement a repatriation programme, the second school follows a more market based approach to returning refugees. Rather than building new towns, or extending existing ones, where returnees would be « implanted », they argue that it would be better to improve the WBGS infrastructure, financial markets, and generally the framework conditions for economic activity to take place. Following that people could re-locate where they see the best opportunities for themselves and their families. The second school of thought also emphasises that according to their scenario, the absorption capacity of the WBGS would be higher (up to 50% expansion in many neighbourhoods). Given the figures circulated, we assume that the second school argues for the absorptive capacity equal to the upper limit of the PA planning estimates of 2m returnees into the WBGS.

Jordan:

Political Constraints

Because Jordan formally annexed the West Bank in 1950 (subsequently "disengaging" from that commitment in 1988), most Palestinian refugees (95%) in Jordan hold Jordanian citizenship. Moreover, Palestinians fully participate in the political and economic life of the country, making up about 60% of the total population⁷¹. Indicative of this integration is the very high proportion of Palestinians residing outside the camps. While there are few differences in average living condition between Palestinian refugees and non-Palestinian Jordanians, conditions in the camps are significantly below national averages.

All refugees who came to Jordan in the aftermath of the 1948 war have Jordanian citizenship on the basis of a citizenship law from 1954. However, those who arrived after 1954, and didn't have citizenship before then (because they were not resident in the Westbank) generally do not have citizenship. Amongst them are displaced

⁷⁰ Interview with Rex Brynen, Essex paper pp.85,87.

⁷¹ Brynen, R (1998), Palestinian Refugees and the Middle East Peace Process, Paper prepared for the New Hampshire International Seminar/Yale-Maria Lecture in Middle East Studies, University of New Hampshire, 3 April 1998. <http://www.arts.mcgill.ca/MEPP/PRRN/papers/UNH.html#fn9>.

persons from Gaza who immigrated to Jordan in the aftermath of the 1967 war, and some others who were not Jordanian citizens prior to the occupation by Israel of the Westbank and Gaza in 1967.

Jordan is generally thought of as the country which is most able to retain its present refugee population, due to the fact that refugees already enjoy citizenship rights, and because most refugees are politically and economically more integrated than refugees in countries such as Lebanon or Syria. However, about 300,000 refugees live in Camps, which are politically and economically less integrated into Jordanian society. Politically, they do not participate in municipal or rural council elections, and the Department for Palestinian Affairs (DPA) is responsible for administering the camps. The DPA selects representatives to the so-called Camp Service Improvement Committees (CSICs) who are in turn in charge of managing infrastructure improvements, social and economic support, as well as child and health care.

Although most Palestinians in Jordan formally enjoy equal citizens rights, they feel discriminated against by internal Jordanian policies on job recruitment and public service allocation. Also, due to the delicate political situation, refugees in Jordan have no leadership of their own or independent refugee organisations on a grass-roots level as is the case in the WBGs, or Lebanon, for example⁷².

Economic Constraints

It has been argued that Jordan has the economic capacity to keep all the refugees it currently hosts. However, figures have been circulated quoting the costs to Jordan associated with hosting Palestinian refugees (the figure quoted to us in an informal interview was \$40bn).

What are the estimated annual costs accruing to Jordanian government of hosting refugees ?

Apart from the general challenges faced by the country with regard to its economic reform programme, the refugee camps are generally much worse off in terms of infrastructure, but also generally in terms of household income and unemployment (whereas unemployment in Jordan in 1998 was estimated to be 14.7%, the average for the 13 refugee camps stood at 20.8%).

UNWRA is currently engaged in a programme to improve infrastructure and the quality of housing stock in Jordan (confirm this), at a cost of \$x/bn per year. The work is due to be finished by, and entails...

Syria:

Political Constraints

Syria so far has refused to participate in multilateral negotiations based on the position that Israeli withdrawal from Arab and Palestinian land is a pre-condition for the opening of talks with Israel. The official Syrian position reaffirms the refugees' right to return to their homes and properties. Syria has also taken measures against refugee resettlement in its territory by issuing entry restrictions on Palestinians with Egyptian, Jordanian and Iraqi travel documents. However, it is not clear what the

⁷² Badil (2000), Palestinian Refugees in Exile, Country Profiles, Bethlehem: Badil Resource Center.

Syrian government's position would be were an Israeli withdrawal from the Golan heights achieved, for example.⁷³

The Israeli government considers Syria as an ideal country for refugee re-settlement due to the civil rights afforded to Palestinian refugees, and due to the fact that Palestinian refugees in Syria constitute only 2.5% of the total population⁷⁴. Together with Jordan, former IDF General Shlomo Gazit views Syria as a country where it is most possible to resettle refugees.

Refugees with Syrian travel documents are allowed to travel in and out of the country freely, ie without re-entry permits previously required. Palestinian refugees in Syria also allowed to own businesses, lease properties, become Union members and to establish residence anywhere they wish in Syria. However, they cannot vote, candidate for the Syrian parliament or the presidency, and they are not allowed to own more than one home nor to purchase arable land.

Economic Constraints

In Syria the general economic situation has deteriorated over the past decade. While economic growth has stalled, unemployment has been on the rise and so have levels of poverty. Currently UNWRA is taking care of basic services in 10 recognised camps. 70% of Palestinian refugees in Syria live outside the camps. Of a total of approximately 400,000 Palestinian refugees, 120,000 live in al-Yarmuk, which is not recognised as a camp by UNWRA.

Even though UNWRA administers schools and further education institutions and provides health services, the Syrian government has been providing assistance to refugees for education (primary, secondary and university), but also health care⁷⁵. The financial constraints faced by the Syrian government in recent years, however, have often implied better health services to Palestinian refugees through UNWRA than that achieved by Syrian citizens.

It has been argued that Syria has the economic capacity to keep all the refugees it currently hosts. Nonetheless, there are serious challenges ahead in terms of economic development and integration of refugees which would have to be addressed. Figures have been circulated quoting the costs to Jordan associated with hosting Palestinian refugees (the figure quoted to us in an informal interview was \$10bn).

Lebanon

Political Constraints

The gist of the Lebanese position, as spelled out by top government officials, is that Palestinian refugees must be fully repatriated, if not to their original homes, then to other third countries. This position is reflected in a survey of 1,000 Lebanese carried out in the early 1990s. Around three-quarters of those surveyed rejected resettlement of the Palestinians in Lebanon, and this was true across Lebanon's confessional lines⁷⁶.

Only a small fraction of Palestinians have acquired Lebanese citizenship, with a mere 3,000 naturalised until the 1980s. Although an estimated 35,000-60,000 were

⁷³ Badil (2000), *Palestinian Refugees in Exile, Country Profiles*, Bethlehem: Badil Resource Center, p.32.

⁷⁴ Badil (2000), *Palestinian Refugees in Exile, Country Profiles*, Bethlehem: Badil Resource Center, p.31.

⁷⁵ Badil (2000), *Palestinian Refugees in Exile, Country Profiles*, Bethlehem: Badil Resource Center, p.34.

⁷⁶ *Palestinian refugees and the Middle East Process* by Elia Zureik, Oct. 98

granted citizenship in 1994⁷⁷, the overwhelming majority of Palestinians remain stateless and are treated as foreigners who have no rights of property ownership, investment, or employment--at most, they have privileges granted by a complex and lengthy permit process. Large institutions are essentially closed to Palestinians because these are governed by rules that make allocations in accordance with sectarian affiliation. Palestinians continue to be excluded from more than seventy-two professions. Basic Lebanese labour law says that non-Lebanese must obtain work permits for all regular jobs: construction, sanitation, agriculture. A second law restricts the practice of most professions--medicine, engineering, pharmacy--to Lebanese, forcing Palestinians to take jobs that offer low wages, insecurity, and no benefits.

These are just some of the restrictions faced by Palestinian refugees in Lebanon, in addition to restrictions on real estate and land ownership, travel, access to social services and education⁷⁸. For example, on September 22, 1995, the Lebanese government made visas obligatory for Palestinian refugees residing in Lebanon who are holders of Lebanese travel documents. This meant that Palestinians who left the country faced the possibility of being refused a re-entry visa to come back. However, that decision was annulled on January 12, 1999, when the government decided to treat Palestinian refugees who are holders of Lebanese travel documents on the same basis as full Lebanese passport holders, facilitating their movement to and from foreign countries.⁷⁹ This episode is just one example in the many where the status and legal situation of Palestinian refugees have changed practically overnight, a pattern characteristic of the fragile situation of Palestinian refugees in Lebanon generally.

Such government policy is a reflection of public opinion in Lebanon, which asserts that any improvement in the living standards and status of Palestinian refugees would add to pressures for their resettlement in the country, which is vociferously opposed by a majority of Lebanese. Indeed, about 45% of respondents to a survey conducted in 1999 and 2000 have responded positively when asked whether they agreed that civil war may break out if resettlement of Palestinian refugees in Lebanon was imposed. On the other hand this is expressed by fears on the Palestinian side of forced expulsion from the country.⁸⁰

Economic Constraints

Estimated cost of improving living conditions of refugees in Lebanon in line with international conventions on refugees is....

⁷⁷ 60,000 is claimed by: Simon Haddad (2000), *The Palestinian Predicament in Lebanon* (Brief Article), *Middle East Quarterly*, Sept 2000 v7 i3 p29. According to Suhail Natour Lebanese nationality was "re-instated" to nearly 35,000 refugees from seven villages, according to the recent naturalization law (Act 5247, 20 June 1994i, Natour, S.(2002), *The Palestinian Refugees in Lebanon*, mimeo, CEPS). Natour also criticises public Lebanese statistics on Palestinians in Lebanon, arguing that Lebanon has an incentive to exaggerate the numbers in order to magnify the problem and the costs associated with hosting them, in preparation for future claims for compensation.

⁷⁸ Said, Wadie (2001), *The Obligations of Host Countries to Refugees under International Law: The Case of Lebanon*, in: Aruri, N.(2001), *Palestinian Refugees, The Right of Return*, pp.123-151; and Ghandour, N.(2001), *Meeting the Needs of Palestinian Refugees in Lebanon*, in: in: Aruri, N.(2001), *Palestinian Refugees, The Right of Return*, pp.152-164.

⁷⁹ Simon Haddad (2000), *The Palestinian Predicament in Lebanon* (Brief Article), *Middle East Quarterly*, Sept 2000 v7 i3 p29.

⁸⁰ Simon Haddad (2000), *The Palestinian Predicament in Lebanon* (Brief Article), *Middle East Quarterly*, Sept 2000 v7 i3 p29.

In addition, both Syrian immigrant labour (which is estimated at...) has replaced Palestinian workers in many sectors, thus adding to the economic distress Palestinian refugees suffer in Lebanon.

Rest of Arab world

Political Constraints

Elsewhere in the region, the residency and other conditions of Palestinians has generally deteriorated in recent year. In Kuwait, the 1990-91 Gulf war and its aftermath saw some 300,000 Palestinians left the country either because of the Iraqi occupation or subsequent expulsions by the Kuwaiti authorities. Many of the Palestinians from Kuwait used to have Syrian or Lebanese travel documents, and some were Jordanian citizens. While some returned to Syria, Lebanon and Jordan, a considerable proportion left to live in Western countries.

Elsewhere in the Gulf, other countries have also reduced the number of Palestinian expatriates employed. In Libya, the government signalled its opposition to the post-Oslo Middle East peace process by also expelling many Palestinians; those with nowhere else to go found themselves trapped in tents on the Libyan-Egyptian borders for months on end. In both Egypt and Iraq, Palestinians have been increasingly treated like other foreigners, with corresponding restrictions on employment and access to government services.⁸¹

Table x: Refugees – proportions in camps and in total population:

	Jordan	Lebanon	Syria	West Bank	Gaza
Registered refugees	1,413,252	359,005	356,739	542,642	746,050
Refugees as proportion of local population	31.30%	10.50%	2.40%	34.20%	74.40%
Refugee camps	10	12	10	19	8
Proportion of refugees in camps	18.70%	54.50%	29.20%	26.30%	55.10%

Source: Brynen, R (1998), Palestinian Refugees and the Middle East Peace Process, Paper prepared for the New Hampshire International Seminar/Yale-Maria Lecture in Middle East Studies, University of New Hampshire, 3 April 1998. <http://www.arts.mcgill.ca/MEPP/PRRN/papers/UNH.html#fn9>

Rest of world:

Political and Economic Constraints

⁸¹ Brynen, R (1998), Palestinian Refugees and the Middle East Peace Process, Paper prepared for the New Hampshire International Seminar/Yale-Maria Lecture in Middle East Studies, University of New Hampshire, 3 April 1998. <http://www.arts.mcgill.ca/MEPP/PRRN/papers/UNH.html#fn9>.

We are not aware of even provisional or conditional statements about the number of refugees that might be accepted for resettlement in the rest of the world, with the notable exception of Canada (25,000 over 5 to 7 years). Presumably numbers would only be forthcoming at a certain stage in a negotiation process, when the all parties were moving together in a fair and balanced way towards an overall scenario.

However some indication of the revealed capacity of absorption of the world's main countries of immigration may be found in actual immigration statistics for recent years, thus:

Table X: recent immigration data for developed countries

Country	Total immigrants, recent year	1% 'standard'	Present quota for reinstallation of refugees
US	990,000	9,900	75,000
Canada	250,000	2,500	12,000**
Australia	85,000	850	8,000
New Zealand	25,000	250	500
Total 4	1,350,000	13,500	95,500
EU	680,000	6,800	[10,000*]
Norway	22,000	220	1,500
Switzerland	40,000	400	2,250
Total 27 Europe	742,000	7,420	[14,750]

* We only have information on quotas for reinstallation of refugees for 5 EU states as follows: Denmark 500-700, Netherlands 300-400, Finland 100-200, Sweden 1,200, UK 400-500, totalling 2100-2,500. These states account for about one quarter of the EU's total population. If the whole EU averaged the same commitments on a per capita basis the total would be up to 10,000. Even with this assumption, which could be contested, the EU would not be doing very much relative to the non-European 4 or its own total absorption of immigrants.

** Canada has indicated its willingness to accept about 25,000 Palestinian refugees over a period of 5 to 7 years.

From the table it is observed that North America, Europe and Australasia are currently absorbing about 2 million immigrants per year. Quotas for the specific category of refugees and asylum seekers are not available for most EU countries. However some simple arithmetic offers a perspective. As part of the final resolution of the Middle East conflict on all fronts (Palestine, Syria and Lebanon) it may be anticipated that the advanced countries would make a special effort to share the burden of resettling the Palestinian refugees. Adopting a simple 1% 'standard', would mean therefore absorbing 20,000 Palestinian refugees per year, which would build up to 100,000 over 5 years, which amounts to half the population of the Lebanese refugee camps. The point of a 1% calculation, arbitrary in the extreme of course, is to show that a relatively very small effort by the advanced countries all together could make a substantial contribution to the most urgent and politically intractable part of the Palestinian refugee problem.

Several countries have established quotas for the annual absorption of refugees and asylum seekers. However there is marked difference between the 4 non-European advanced countries, which have made substantial commitments, and many EU

states which have made only modest or no regular commitments (the Nordic countries and the Netherlands being the exceptions). Table Y supplies the demographic data base for the EU, showing that immigration now accounts for about two thirds of the total population growth, which itself is of a low order (0.28% per year). The politics of immigration in the EU are extremely sensitive, yet the economics of EU demographic trends push in the direction of more liberal immigration policy.

In addition, recently most European countries have moved towards the Canadian and US models, whereby immigrants are chosen amongst those which could potentially fill skills gaps in the country of immigration's labour markets.

Table Y: Population growth per EU-country, 2000

	Population 1.1.2000	Natural Increase	Net Migration	Total increase		Natural increase	Net migration	Total increase
	x 1,000					per 1,000 population		
EU-15	376 455.2	372.4	680.4	1 052.8	377 507.9	1.0	1.8	2.8
Belgium	10 239.1	10.9	12.1	23.1	10 262.2	1.1	1.2	2.3
Denmark	5 330.0	9.0	10.1	19.2	5 349.2	1.7	1.9	3.6
Germany	82 163.5	-76.2	105.3	29.1	82 192.6	-0.9	1.3	0.4
Greece	10 542.8	-2.0	23.9	21.9	10 564.7	-0.2	2.3	2.1
Spain	39 441.7	27.2	20.8	48.0	39 489.6	0.7	0.5	1.2
France	59 225.7	240.6	55	295.6	59 521.3	4.1	0.9	5.0
Ireland	3 776.6	23.1	20	43.1	3 819.7	6.1	5.3	11.4
Italy	57 679.9	-17.2	181.3	164.1	57 844.0	-0.3	3.1	2.8
Luxembourg	435.7	2.0	3.6	5.6	441.3	4.5	8.3	12.9
Netherlands	15 864.0	66.1	53.1	119.2	15 983.1	4.2	3.3	7.5
Austria	8 102.6	1.5	17.3	18.8	8 121.3	0.2	2.1	2.3
Portugal	9 997.6	14.3	11.0	25.3	10 022.8	1.4	1.1	2.5
Finland	5 171.3	7.4	2.4	9.8	5 181.1	1.4	0.5	1.9
Sweden	8 861.4	-3.0	24.4	21.4	8 882.8	-0.3	2.8	2.4
United Kingdom	59 623.4	68.7	140	208.7	59 832.1	1.2	2.3	3.5

Adapted from : Eurostat

4.3 Citizenship and residency rights of the former refugees

Most Palestinian refugees today do not enjoy full citizenship rights, wherever they reside. In addition to a lack in citizenship rights, Palestinian refugees are not granted rights any refugee should have in host countries under the International Convention Relating to the Status of Refugees, and other conventions, such as the International Covenant on Social and Cultural Rights and the International Convention on the Elimination of All Forms of Racial Discrimination⁸².

Thus, Palestinians suffer from the conditions imposed on them as refugees in host countries and from the continued denial of their rights to end their refugee status, namely the right to choose between return and compensation.

In the event of a solution, several scenarios have been proposed. To some extent, these scenarios tried to take account of the fact that Palestinian refugees may ultimately be denied the right of return to their homes and properties, and therefore alternative scenarios have been proposed, including dual citizenship, or residency (including full residency and employment rights) in one country, and citizenship of another country. The full set of options that has been debated is :

- A : Israeli citizenship
- B: citizenship of Palestinian state
- C: citizenship of country of residence
- D: dual citizenship

However, until a settlement is reached, the priority is to push for full residency rights (but no citizenship) for all Palestinian refugees residing in host countries, and most urgently in Lebanon.

Proposals floated recently for giving Palestinians in Lebanon to gain citizenship of a future Palestinian state with permanent residency and employment rights⁸³ does not satisfy their human right to participate in the democratic process of the country which effectively is the centre of their lives. This is particularly dangerous, given successive Lebanese governments' views and actions regarding resettlement and Israel's outright denial of the right of return in principle. The outcome of such proposals may indeed serve to prolong the deprivation of Palestinians of true citizenship rights, which are intended to guarantee civil participation in the communal and political decision making processes in the country which is the centre of an individuals concerns. Such arrangements, if not taken truly as a matter of choice by refugees (i.e. if refugees are not given, for example, the possibility to choose between Lebanese citizenship and that of a Palestinian state) may lead to a prolongation of the plight of refugees, turning their long period of exile into a permanent one.

An additional issue linked to such proposals is that they are inconsistent with international citizenship law.

⁸² International Covenant on Economic, Social and Cultural Rights (ICESCR), opened for signature 16 December 1966, UNTS 2 (entered into force 3 January 1967); International Convention on the Elimination of All Forms of Racial Discrimination, opened for signature 7 March 1966, 660 UNTS 195 (entered into force 4 January 1969).

⁸³ Nawaf Salam, "Between Repatriation and Resettlement: Palestinian Refugees in Lebanon," *Journal of Palestine Studies* 93 (Autumn 1994).

Citizenship rights law as it exists in Arab countries and Israel, is inextricable linked to ethnicity, and is therefore inconsistent with international law. Whereas in the case of Bosnia and Herzegovina the Office of the High Representative (OHR) has the power to and actually has repealed citizenship law not in line with international law, the international community has never even touched upon this incompatibility as a source of conflict in the Middle East. Although to some extent this has historical roots in the period of the French and British Mandates, who in effect exploited ethnic and sectarian conflicts in the region, today it should be recognised that these laws only serve to aggravate and exacerbate already existing cleavages.

4.4 What will be the monetary conditions accompanying a resolution?

Under a the Beilin-Abou Mazen plan, as well as the ICG proposal, compensation would be raised and paid through an International Commission for Palestinian Refugees (see Appendix x for the text of proposal). However, whereas the Beilin-Abou Mazen Plan envisaged the Commission to be a bilateral body, which would extend invitations to donor countries to join, the ICG proposal foresees the Commission to be a multilateral body that includes also the host countries, as well as Saudi Arabia. This also implied that the compensation of Jewish emigrants from Arab countries would be part of the overall deal.

In effect the Commission shall have the function organising « return » to the WBGS, resettlement and compensation, including the compensation of host countries. Compensation shall be a mix of individual compensation for lost property, and funds extended for the development aspects of resettlement schemes in the WBGS and host countries.

As illustrated below, the sums proposed by the international donor community, this would amount to an economic development plan for Palestinian refugee communities in the WBGS, and the host countries, rather than compensation based on actual losses. This becomes even clearer when looked at in terms of the actual sums circulated.

Palestinian claims for compensation

The Palestinian proposal at Taba expressed what Resolution 194 envisages, namely that Israel shall compensate:

- « refugees for the property from which they were deprived as a result of their displacement, including, but not limited to, destroyed property and property placed under the custodianship of the "Custodian for Absentees' Property". Compensation should cover loss of property and loss of use and profit from the date of dispossession to the current day expressed in today' s value »;
- « refugees for suffering and losses incurred as a result of the refugee' s physical displacement » ;
- « the state of Palestine for the Palestinian communal property existing within the internationally recognized borders of the State of Israel (including real property as well as financial and other movable property) ».

In addition :

- « Unless property is collectively owned, material (and non-material) compensation should be awarded on an individual basis »;

- Claims for compensation administrated and adjudicated by a Compensation Commission » ;
- « The refugees host countries (i.e., Lebanon, Syria, Jordan, Egypt, Iraq and the Palestinian Authority) shall receive compensation for the significant costs they bore in hosting the refugees ».

The Palestinian negotiators insisted that Israel shall provide the funds needed for such compensation. These funds should be transferred to an International Fund and disbursed by the Fund and a Compensation Commission.

The Compensation Commission is envisaged to evaluate the Palestinian material and non-material losses, to administer the implementation of compensation, and to administer and adjudicate claims of real property by refugees. It shall be composed of Palestinian representatives Israel, the United States, the EU, the United Nations, the World Bank and donor countries.

The records of the United Nations Conciliation Commission for Palestine, as well as the records of the "Custodian for Absentees Property" shall be used by the Commission as prima facie evidence of the losses of the refugees. The Commission may also use UNRWA's records and any other relevant records.

The economist Atif Kubursi puts material losses at USD20.9bn by expressing the 1948 valuation in £P in 1998 prices. When human capital losses are included, total losses amount to USD 33.2bn, and if a real rate of growth of 4% is included, these numbers rise to USD148bn and 236bn, respectively. The basis for his calculations are...

In terms of approximate amounts considered feasible, several estimates have been made. The Harvard-based Joint Working Group on Israeli-Palestinian Relations, in a paper written by Joseph Alpher and Khalil Shikaki, suggested that individual compensation to Palestinians, largely financed by Israel, might total \$15-20 billion⁸⁴. The basis for their calculation is.....

Rashid Khalidi suggests that reparations might total some \$40 billion (if based on per capita payments of around \$20,000), or several times this amount is based on the current value of both material and non-material losses.⁸⁵ The basis for his calculations is...

Obviously any of these amounts can only be regarded as indicative at the moment, and some of the proposed amounts are claims based, while others are based on estimates of what the authors consider as feasible in terms of supply and the refugees's needs to build new lives.

An interesting idea advanced by Rex Brynen that would allow for a direct link between the damage incurred and compensation for it is partly inspired by the

⁸⁴ Joseph Alpher and Khalil Shikaki, *The Palestinian Refugee Problem and the Right of Return*, Weatherhead Center for International Affairs Paper 98-7 (Cambridge: Harvard University, May 1998), p. 14, quoted by Brynen, R. (1999), *Compensation as Part of a Comprehensive Solution to the Palestinian Refugee Problem: Financing Palestinian Refugee Compensation*, McGill University. Article obtained at: <http://www.arts.mcgill.ca/MEPP/PRRN/brynen.html>.

⁸⁵ Khalidi, R., "Toward a Solution," in *Palestinian Refugees: Their Problem and Future* (Washington DC: Center for Policy Analysis on Palestine, October 1994), p. 24, quoted in Brynen, 1999.

Bosnian case. He suggests to « to utilize some or all of the rental income from former Palestinian properties (especially those presently leased to individuals by the state or Jewish National Fund) as a source for general monetary compensation for the refugees »⁸⁶. « This symbolic value would be heightened if the current legal and customary practices which prevent non-Jews from renting such lands were to be lifted or alleviated. »

What Israel is willing to offer

The Israeli proposal at Taba was to establish an international fund for the compensation and rehabilitation of Palestinian refugees, to which they may apply for compensation programs and rehabilitation assistance. Programs of a compensatory nature shall be devised on both per-capita and claims based criteria, and shall be managed according to a definitive and complete register of property claims to be compiled by an appropriate arm of the International Commission and Fund. Israel and the international community shall contribute to the fund, and compensation shall also be paid to host governments.

However, Israel proposed an a priori agreed ceiling to refugee compensation, such that a lump-sum shall be paid minus Israeli fixed assets remaining in the State of Palestine following Israeli withdrawal.

Rex Brynen suggests that a total of \$10 billion of Israeli contributions represents, « relative to GNP, about the same level of generosity evident in the current Saudi and Kuwaiti foreign aid programs, and only slightly more than Denmark's ratio of ODA/GNP, and might also be considered economically feasible. A total ten year contribution of \$25 billion, is equivalent to more than one-quarter of the entire Israeli defense budget, and can only be considered the extreme upper boundary of what is economically possible.⁸⁷ On the other hand, \$25 billion equals less than eight and a half years of US military aid to Israel, which in times of peace can be expected to be less needed.

Table 6: Relative Burden of Israeli Contributions to Palestian Refugee Compensation (spread over a ten-year period)

Total amount	\$1 billion	\$5 billion	\$10 billion	\$25 billion	\$50 billion	\$100 billion
Annual amount	\$100 million	\$200 million	\$ 1 billion	\$2.5 billion	\$5 billion	\$10 billion
Per Israeli (annual)	\$17	\$83	\$167	\$417	\$833	\$1,666
% GNP	0.12%	0.59%	1.18%	2.95%	5.91%	11.81%
% Government expenditure	0.19%	0.95%	1.91%	4.77%	9.54%	19.08%
% Defence expenditure	1.19%	5.95%	11.90%	29.76%	59.52%	119.05 %
Per UNRWA-registered refugee	\$277	\$1,388	\$2,777	\$6,944	\$13,888	\$27,778
Per original 1948	\$1,333	\$6,666	\$13,333	\$33,333	\$66,666	\$133,33

⁸⁶ Brynen, R. (1999), Compensation as Part of a Comprehensive Solution to the Palestinian Refugee Problem: Financing Palestinian Refugee Compensation, McGill University. Article obtained at: <http://www.arts.mcgill.ca/MEPP/PRRN/brynen.html>.

⁸⁷ Brynen, R. (1999), Compensation as Part of a Comprehensive Solution to the Palestinian Refugee Problem: Financing Palestinian Refugee Compensation, McGill University. Article obtained at: <http://www.arts.mcgill.ca/MEPP/PRRN/brynen.html>.

refugee						3
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Source : Brynen, R. (1999), Compensation as Part of a Comprehensive Solution to the Palestinian Refugee Problem: Financing Palestinian Refugee Compensation, McGill University. Article obtained at: <http://www.arts.mcgill.ca/MEPP/PRRN/brynen.html>.

However, Brynen points out that what is considered as economically feasible by some, may not be politically feasible, and hints that ultimately the amount actually contributed by Israel may not exceed \$5bn.

An Israeli political analyse has suggested that Israel might assume a portion of a refugee compensation scheme totaling \$7-10 billion, on condition that⁸⁸ :

- a) The compensation was part of a bilateral political agreement, stating clearly that Israel's decision was ex gratis ; and that
- b) Israel's share in compensation was clearly limited in scope, and was made conditional upon the wealthy industrial countries and the rich Arab oil-producing countries participating in financing a "package" for refugee rehabilitation.

The basis for the calculations made by Gazit is....

This is exactly what the ICG working group has suggested as a solution.

What the international community is willing to offer

Rex Brynen points out that very few donors will explicitly finance "compensation," as this falls outside the mandate of most development agencies. Similarly, cash transfers to a compensation fund for Palestinian refugees are unlikely to win legislative support in most donor countries:

Donors in general prefer instead to conduct bilateral assistance programs, which offer greater political visibility and economic leverage. Rather than designing a regional refugee fund, Brynen suggests that international efforts should be focused on developing a coordinated array of individual repatriation and development initiatives that donors can finance on a bilateral basis. In addition, international assistance for repatriation, resettlement and development as a surrogate for compensation is unlikely to find the support of the refugee community.

Table 6 : Indicative figures for current annual international financial aid to Palestinian refugees and institutions in the WBGS

Approximate annual spend	In US Dollars
European Funds into WBGS excluding UNWRA and EIB Funds ⁸⁹	85.6m Euros – convert on ave ER for 93-96
Annual UNRWA Budget ⁹⁰	350m (45 of which is EU funded)

⁸⁸ Shlomo Gazit, The Palestinian Refugee Problem (Tel Aviv: Jaffee Center for Strategic Studies, 1995), p. 21-22, quoted in Brynen 1999.

⁸⁹ Dumper, M. (2001), A Study of Policy and Financial Instruments for the Return and Integration of Palestinian Displaced Persons in the West Bank and Gaza Strip, Exeter University, UK: Exeter Refugee Study Team. – The figures are average figures for the years 1993-1999.

⁹⁰ Brynen, R. (1999), Compensation as Part of a Comprehensive Solution to the Palestinian Refugee Problem: Financing Palestinian Refugee Compensation, McGill University. Article obtained at: <http://www.arts.mcgill.ca/MEPP/PRRN/brynen.html>.

US Aid to PA	
International development aid to Palestinians in Jordan, Syria and Lebanon	
Annual Arab countries contributions :	
To WBGS	
To Syria, Lebanon and Jordan	

Brynen points out that post-agreement refugee development initiatives are unlikely to represent a major new infusion of resources, but rather a relabeling or retargeting of existing programs. Already, approximately 41% of the current population of the West Bank and Gaza are refugees, and since Gaza has tended to win a slightly disproportionate share of aid (on the basis of both poverty and the presence of the PA), donors have in effect spent over \$2 billion in assistance to refugees over the years 1994-1999.

Ultimately, international assistance to the return/resettlement of refugees from Western and Arab donors would ultimately consist of a repackaging of current development aid, also due to the fact that Palestinians already receive more assistance per capita than any other developing country: around \$225 per person per year, compared to an average of \$12.72 for the South as a whole⁹¹. Arab countries not hosting refugees have been providing aid to the host countries, to the PLO and more recently to the PA, disbursing some USD 219bn between 1994 and 1998, Western donors USD2.3bn. Table 7 below summarises estimates made by Brynen, on the basis that about half of the funds made available will be used by host countries as UNWRA phases out its services.

Table 7: Possible Arab and International Support for Resolution of the Refugee Issue (\$ millions)

	5 years (optimistic)	10 years (optimistic)	5 years (pessimistic)	10 years (pessimistic)
earmarking of existing aid	\$1,400	2,450	1,400	2,450
UNRWA termination	\$875	1,750	875	875
new assistance	\$500	500	0	0
total	\$2,775	4,700	2,275	3,325
transitional support for PA	\$695	1,175	570	835
transition support for other hosts	\$695	1,175	570	835
amount remaining for refugees	\$1,385	2,350	1,135	1,655

Source : Brynen, R. (1999), Compensation as Part of a Comprehensive Solution to the Palestinian Refugee Problem: Financing Palestinian Refugee Compensation, McGill University. Article obtained at: <http://www.arts.mcgill.ca/MEPP/PRRN/brynen.html>.

⁹¹ Brynen, 1999.

Given that the repatriation and absorption costs of 500,000 returning refugees might total \$1.6 to \$4.8 billion⁹², excluding any compensation amounts⁹³, Brynen points out that little or no money would be available for cash payments to compensate refugees. Under the pessimistic scenario in Table 7 above (where no new monies would be made available by the international donor community above those already provided), the amount available to compensate refugees would drop to \$1,135m during the first five years, and to a total of \$1,655m over ten years.

Brynen also illustrates what this could in practice mean in terms of cash payments to refugees? In a scenario where those not living in camps are not compensated at all, those who do reside in camps (estimated at 3.5million),

Table 3: Distributing Refugee Compensation⁹⁴

	1 billion	2 billion	5 billion	10 billion	25 billion
First generation refugees					
Returnees	1,530.56	2,746.53	6,913.19	13,857.64	34,604.17
Non-returnees	780.56	1,996.53	6,163.19	13,107.64	33,854.17
Subsequent generation refugees					
Returnees	875.45	1,070.87	1,740.51	2,856.58	6,190.85
Non-returnees	125.45	320.87	990.51	2,106.58	5,440.85

Source: Brynen, R. (1999), Compensation as Part of a Comprehensive Solution to the Palestinian Refugee Problem: Financing Palestinian Refugee Compensation, McGill University. Article obtained at: <http://www.arts.mcgill.ca/MEPP/PRRN/brynen.html>.

Appendices:

Appendix 1 : The Beilin-Abou Mazen Plan (« Framework for the conclusion of a final status agreement between Israel and the Palestine Liberation Organization », 31 October 1995):

Regarding refugees, the plan spells out in Article VII:

«1. Whereas the Palestinian side considers that the right of the Palestinian refugees to return to their homes is enshrined in international law and natural justice, it recognizes that the

⁹² In Bosnia, the external financing requirements for refugee reintegration were estimated at \$520 million for 1998 alone. The Bosnian authorities have suggested that much larger amounts will eventually be needed—c \$8-10,000 per person, or some \$3-4 billion total. Reconstruction and Return Task Force, Report, March 1998, at <http://www.ohr.int/rtrf/r9803-04.htm>. To date, international donors have provided only a fraction of this.

⁹³ George Borjas and Dani Rodrik, Project on Palestinian Refugees: Summary Report, Institute for Social and Economic Policy in the Middle East, Harvard University (unpublished, May 1998), quoted in Brynen 1999.

⁹⁴ The assumptions Brynen has used in his scenarios are:

- A ten year time frame, and a total refugee population of 3.6 million persons, of whom 10% are first-generation refugees.
- The repatriation of 750,000 refugees over that period, with returning refugees receiving a \$750 repatriation package, financed by international donors. This is considered part of individual compensation package. Development assistance to refugees or assistance to host governments, however, is not considered part of individual compensation, due to its much more diffuse and indirect character.
- Other than the repatriation package, returnees and non-returnees receive similar levels of compensation, largely paid for by Israel. Half of all compensation resources are paid to first generation refugees, distributed evenly on a per capita basis. All remaining funds are paid to second and subsequent generation refugees on an equal per capita basis.

prerequisites of the new era of peace and coexistence, as well as the realities on the ground since 1948 have rendered the implementation of this right impracticable. The Palestinian side, thus, declares its readiness to accept and implement policies and measures that will ensure, insofar as this is possible, the welfare and well-being of these refugees.

2. Whereas the Israeli side acknowledges the moral and material suffering caused to the Palestinian people as a result of the war of 1947-1949; It further acknowledges the Palestinian refugees' right of return to the Palestinian state and their right to compensation and rehabilitation for moral and material losses.

3. The parties agree on the establishment of an International Commission for Palestinian Refugees (hereafter « the ICPR ») for the final settlement of all aspects of the refugee issue as follows:

a. The Parties extend invitations to donor countries to join them in the formation of the ICPR.

b. The Parties welcome the intention of the Government of Sweden to lead the ICPR and to contribute financially to its activities.

c. The Government of Israel shall establish a fund for its contribution, along with others, to the activities of the ICPR.

d. The ICPR shall conduct all fundraising activities and coordinate donors' involvement in the program.

e. The ICPR shall define the criteria for compensation accounting for:

(1) moral loss ;

(2) immovable property ;

(3) financial and economic support enabling resettlement and rehabilitation of Palestinians residing in refugee camps.

f. The ICPR shall further :

(1) adjudicate claims for material loss ;

(2) prepare and develop rehabilitation and absorption programs ;

(3) establish the mechanisms and venues for disbursing payments and compensation ;

(4) oversee rehabilitation programs ;

(5) explore the intentions of Palestinian refugees on the one hand and of Arab and other countries on the other, concerning wishes for emigration and the possibilities thereof.

(6) explore with Arab governments hosting refugee populations, as well as with these refugees, venues for absorptions in these countries whenever mutually desired.

g. The ICPR shall implement all the above according to the agreed schedule defined in Annex Four to the Final Status Agreement.

4. The ICPR shall be guided by the following principles in dealing with the « refugees of 1948 » and their descendants as defined in Annex Four to the Final Status Agreement :

a. Each refugee family shall be entitled to compensation for moral loss to a sum of money to be agreed upon by the ICPR.

b. Each claimant with proven immovable property shall be compensated as per the adjudication of the ICPR.

c. The ICPR shall provide financial and economic support, enabling the resettlement and rehabilitation of Palestinians residing in refugee camps.

d. The refugees shall be entitled to financial and economic support from the ICPR for resettlement and rehabilitation.

5. The State of Israel undertakes to participate actively in implementing the program for the resolution of the refugee problem. Israel will continue to enable family reunification and will absorb Palestinian refugees in special defined cases, to be agreed upon with the ICPR.

6. The Palestinian side undertakes to participate actively in implementing the program for the resolution of the refugee problem. The Palestinian side shall enact a program to encourage the rehabilitation and resettlement of Palestinian refugees presently resident in the West Bank and Gaza Strip, within these areas.

7. The PLO considers the implementation of the above a full and final settlement of the refugee issue in all its dimensions. It further undertakes that no additional claims or demand

arising from this issue will be made upon the full implementation of this Framework Agreement. »

Appendix II: Moratinos account of the Taba Negotiations : Refugees

« Refugees

Non-papers were exchanged, which were regarded as a good basis for the talks. Both sides stated that the issue of the Palestinian refugees is central to the Israeli-Palestinian relations and that a comprehensive and just solution is essential to creating a lasting and morally scrupulous peace. Both sides agreed to adopt the principles and references which could facilitate the adoption of an agreement.

Both sides suggested, as a basis, that the parties should agree that a just settlement of the refugee problem in accordance with the UN Security Council Resolution 242 must lead to the implementation of UN General Assembly Resolution 194.

Narrative

The Israeli side put forward a suggested joint narrative for the tragedy of the Palestinian refugees. The Palestinian side discussed the proposed narrative and there was much progress, although no agreement was reached in an attempt to develop a historical narrative in the general text.

Return, repatriation and relocation and rehabilitation

Both sides engaged in a discussion of the practicalities of resolving the refugee issue. The Palestinian side reiterated that the Palestinian refugees should have the right of return to their homes in accordance with the interpretation of UNGAR 194. The Israeli side expressed its understanding that the wish to return as per wording of UNGAR 194 shall be implemented within the framework of one of the following programs:

- A. Return and repatriation to Israel, to Israel swapped territory, to the Palestine state.
- B. Rehabilitation in host country, Relocation to third country.

Preference in all these programs shall be accorded to the Palestinian refugee population in Lebanon. The Palestinian side stressed that the above shall be subject to the individual free choice of the refugees, and shall not prejudice their right to their homes in accordance with its interpretation of UNGAR 194.

The Israeli side, informally, suggested a three-track 15-year absorption program, which was discussed but not agreed upon. The first track referred to the absorption to Israel. No numbers were agreed upon, but with a non-paper referring to 25,000 in the first three years of this program (40,000 in the first five years of this program did not appear in the non-paper but was raised verbally).

The second track referred to the absorption of Palestinian refugees into the Israeli territory, that shall be transferred to Palestinian sovereignty, and the third track referring to the absorption of refugees in the context of family reunification scheme. The Palestinian side did not present a number, but stated that the negotiations could not start without an Israeli opening position. It maintained that Israel's acceptance of the return of refugees should not prejudice existing programs within Israel such as family reunification.

Compensation

Both sides agreed to the establishment of an International Commission and an International Fund as a mechanism for dealing with compensation in all its aspects. Both sides agreed that "small-sum" compensation shall be paid to the refugees in the "fast-track" procedure, claims of compensation for property losses below certain amount shall be subject to "fast-track" procedures. There was also progress on Israeli compensation for material losses, land and assets expropriated, including agreement on a payment from an Israeli lump sum or proper amount to be agreed upon that would feed into the International Fund. According to

the Israeli side the calculation of this payment would be based on a macro-economic survey to evaluate the assets in order to reach a fair value.

The Palestinian side, however, said that this sum would be calculated on the records of the UNCCP, the Custodian for Absentee Property and other relevant data with a multiplier to reach a fair value.

UNRWA

Both sides agreed that UNRWA should be phased out in accordance with an agreed timetable of five years, as a targeted period. The Palestinian side added a possible adjustment of that period to make sure that this will be subject to the implementation of the other aspects of the agreement dealing with refugees, and with termination of Palestinian refugee status in the various locations.

Former Jewish refugees

The Israeli side requested that the issue of compensation to former Jewish refugees from Arab countries be recognized, while accepting that it was not a Palestinian responsibility or a bilateral issue. The Palestinian side maintained that this is not a subject for a bilateral Palestinian-Israeli agreement.

Restitution

The Palestinian side raised the issue of restitution of refugee property. The Israeli side rejected this.

End of claims

issue of the end of claims was discussed, and it was suggested that the implementation of the agreement shall constitute a complete and final implementation of UNGAR 194 and therefore ends all claims.

Appendix III: Dayton Accords on Refugees

The Agreement on Refugees and Displaced Persons

The Republic of Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina, and the Republika Srpska (the "Parties") have agreed as follows:

Chapter One: Protection

Article I: Rights of Refugees and Displaced Persons

1. All refugees and displaced persons have the right freely to return to their homes of origin. They shall have the right to have restored to them property of which they were deprived in the course of hostilities since 1991 and to be compensated for any property that cannot be restored to them. The early return of refugees and displaced persons is an important objective of the settlement of the conflict in Bosnia and Herzegovina. The Parties confirm that they will accept the return of such persons who have left their territory, including those who have been accorded temporary protection by third countries.

2. The Parties shall ensure that refugees and displaced persons are permitted to return in safety, without risk of harassment, intimidation, persecution, or discrimination, particularly on account of their ethnic origin, religious belief, or political opinion.

3. The Parties shall take all necessary steps to prevent activities within their territories which would hinder or impede the safe and voluntary return of refugees and displaced persons. To demonstrate their commitment to securing full respect for the human rights and fundamental freedoms of all persons within their jurisdiction and creating without delay conditions suitable for return of refugees and displaced persons, the Parties shall take immediately the following confidence building measures:

- a. the repeal of domestic legislation and administrative practices with discriminatory intent or effect;
- b. the prevention and prompt suppression of any written or verbal incitement, through media or otherwise, of ethnic or religious hostility or hatred;
- c. the dissemination, through the media, of warnings against, and the prompt suppression of, acts of retribution by military, paramilitary, and police services, and by other public officials or private individuals;
- d. the protection of ethnic and/or minority populations wherever they are found and the provision of immediate access to these populations by international humanitarian organizations and monitors;
- e. the prosecution, dismissal or transfer, as appropriate, of persons in military, paramilitary, and police forces, and other public servants, responsible for serious violations of the basic rights of persons belonging to ethnic or minority groups.

4. Choice of destination shall be up to the individual or family, and the principle of the unity of the family shall be preserved. The Parties shall not interfere with the returnees' choice of destination, nor shall they compel them to remain in or move to situations of serious danger or insecurity, or to areas lacking in the basic infrastructure necessary to resume a normal life. The Parties shall facilitate the flow of information necessary for refugees and displaced persons to make informed judgments about local conditions for return.

5. The Parties call upon the United Nations High Commissioner for Refugees ("UNHCR") to develop in close consultation with asylum countries and the Parties a repatriation plan that will allow for an early, peaceful, orderly and phased return of refugees and displaced

persons, which may include priorities for certain areas and certain categories of returnees. The Parties agree to implement such a plan and to conform their international agreements and internal laws to it. They accordingly call upon States that have accepted refugees to promote the early return of refugees consistent with international law.

Article II: Creation of Suitable Conditions for Return

1. The Parties undertake to create in their territories the political, economic, and social conditions conducive to the voluntary return and harmonious reintegration of refugees and displaced persons, without preference for any particular group. The Parties shall provide all possible assistance to refugees and displaced persons and work to facilitate their voluntary return in a peaceful, orderly and phased manner, in accordance with the UNHCR repatriation plan.

2. The Parties shall not discriminate against returning refugees and displaced persons with respect to conscription into military service, and shall give positive consideration to requests for exemption from military or other obligatory service based on individual circumstances, so as to enable returnees to rebuild their lives.

Article III: Cooperation with International Organizations and International Monitoring

1. The Parties note with satisfaction the leading humanitarian role of UNHCR, which has been entrusted by the Secretary-General of the United Nations with the role of coordinating among all agencies assisting with the repatriation and relief of refugees and displaced persons.

2. The Parties shall give full and unrestricted access by UNHCR, the International Committee of the Red Cross ("ICRC"), the United Nations Development Programme ("UNDP"), and other relevant international, domestic and nongovernmental organizations to all refugees and displaced persons, with a view to facilitating the work of those organizations in tracing persons, the provision of medical assistance, food distribution, reintegration assistance, the provision of temporary and permanent housing, and other activities vital to the discharge of their mandates and operational responsibilities without administrative impediments. These activities shall include traditional protection functions and the monitoring of basic human rights and humanitarian conditions, as well as the implementation of the provisions of this Chapter.

The Parties shall provide for the security of all personnel of such organizations.

Article IV: Repatriation Assistance

The Parties shall facilitate the provision of adequately monitored, short-term repatriation assistance on a nondiscriminatory basis to all returning refugees and displaced persons who are in need, in accordance with a plan developed by UNHCR and other relevant organizations, to enable the families and individuals returning to reestablish their lives and livelihoods in local communities.

Article V: Persons Unaccounted For

The Parties shall provide information through the tracing mechanisms of the ICRC on all persons unaccounted for. The Parties shall also cooperate fully with the ICRC in its efforts to determine the identities, whereabouts and fate of the unaccounted for.

Article VI: Amnesty

Any returning refugee or displaced person charged with a crime, other than a serious violation of international humanitarian law as defined in the Statute of the International

Tribunal for the Former Yugoslavia since January 1, 1991 or a common crime unrelated to the conflict, shall upon return enjoy an amnesty. In no case shall charges for crimes be imposed for political or other inappropriate reasons or to circumvent the application of the amnesty.

Chapter Two: Commission for Displaced Persons and Refugees

Article VII: Establishment of the Commission

The Parties hereby establish an independent Commission for Displaced Persons and Refugees (the "Commission"). The Commission shall have its headquarters in Sarajevo and may have offices at other locations as it deems appropriate.

Article VIII: Cooperation

The Parties shall cooperate with the work of the Commission, and shall respect and implement its decisions expeditiously and in good faith, in cooperation with relevant international and nongovernmental organizations having responsibility for the return and reintegration of refugees and displaced persons.

Article IX: Composition

1. The Commission shall be composed of nine members. Within 90 days after this Agreement enters into force, the Federation of Bosnia and Herzegovina shall appoint four members, two for a term of three years and the others for a term of four years, and the Republika Srpska shall appoint two members, one for a term of three years and the other for a term of four years. The President of the European Court of Human Rights shall appoint the remaining members, each for a term of five years, and shall designate one such member as the Chairman. The members of the Commission may be reappointed.

2. Members of the Commission must be of recognized high moral standing.

3. The Commission may sit in panels, as provided in its rules and regulations. References in this Annex to the Commission shall include, as appropriate, such panels, except that the power to promulgate rules and regulations is vested only in the Commission as a whole.

4. Members appointed after the transfer described in Article XVI below shall be appointed by the Presidency of Bosnia and Herzegovina.

Article X: Facilities, Staff and Expenses

1. The Commission shall have appropriate facilities and a professionally competent staff, experienced in administrative, financial, banking and legal matters, to assist it in carrying out its functions. The staff shall be headed by an Executive Officer, who shall be appointed by the Commission.

2. The salaries and expenses of the Commission and its staff shall be determined jointly by the Parties and shall be borne equally by the Parties.

3. Members of the Commission shall not be held criminally or civilly liable for any acts carried out within the scope of their duties. Members of the Commission, and their families, who are not citizens of Bosnia and Herzegovina shall be accorded the same privileges and immunities as are enjoyed by diplomatic agents and their families under the Vienna Convention on Diplomatic Relations.

4. The Commission may receive assistance from international and nongovernmental organizations, in their areas of special expertise falling within the mandate of the Commission, on terms to be agreed.

5. The Commission shall cooperate with other entities established by the General Framework Agreement, agreed by the Parties, or authorized by the United Nations Security Council.

Article XI: Mandate

The Commission shall receive and decide any claims for real property in Bosnia and Herzegovina, where the property has not voluntarily been sold or otherwise transferred since April 1, 1992, and where the claimant does not now enjoy possession of that property. Claims may be for return of the property or for just compensation in lieu of return.

Article XII: Proceedings before the Commission

1. Upon receipt of a claim, the Commission shall determine the lawful owner of the property with respect to which the claim is made and the value of that property. The Commission, through its staff or a duly designated international or nongovernmental organization, shall be entitled to have access to any and all property records in Bosnia and Herzegovina, and to any and all real property located in Bosnia and Herzegovina for purposes of inspection, evaluation and assessment related to consideration of a claim.

2. Any person requesting the return of property who is found by the Commission to be the lawful owner of that property shall be awarded its return. Any person requesting compensation in lieu of return who is found by the Commission to be the lawful owner of that property shall be awarded just compensation as determined by the Commission. The Commission shall make decisions by a majority of its members.

3. In determining the lawful owner of any property, the Commission shall not recognize as valid any illegal property transaction, including any transfer that was made under duress, in exchange for exit permission or documents, or that was otherwise in connection with ethnic cleansing. Any person who is awarded return of property may accept a satisfactory lease arrangement rather than retake possession.

4. The Commission shall establish fixed rates that may be applied to determine the value of all real property in Bosnia and Herzegovina that is the subject of a claim before the Commission. The rates shall be based on an assessment or survey of properties in the territory of Bosnia and Herzegovina undertaken prior to April 1, 1992, if available, or may be based on other reasonable criteria as determined by the Commission.

5. The Commission shall have the power to effect any transactions necessary to transfer or assign title, mortgage, lease, or otherwise dispose of property with respect to which a claim is made, or which is determined to be abandoned. In particular, the Commission may lawfully sell, mortgage, or lease real property to any resident or citizen of Bosnia and Herzegovina, or to either Party, where the lawful owner has sought and received compensation in lieu of return, or where the property is determined to be abandoned in accordance with local law. The Commission may also lease property pending consideration and final determination of ownership.

6. In cases in which the claimant is awarded compensation in lieu of return of the property, the Commission may award a monetary grant or a compensation bond for the future purchase of real property. The Parties welcome the willingness of the international community assisting in the construction and financing of housing in Bosnia and Herzegovina to accept compensation bonds awarded by the Commission as payment, and to award persons holding such compensation bonds priority in obtaining that housing.

Commission decisions shall be final, and any title, deed, mortgage, or other legal instrument created or awarded by the Commission shall be recognized as lawful throughout Bosnia and Herzegovina.

7. Failure of any Party or individual to cooperate with the Commission shall not prevent the Commission from making its decision.

Article XIII: Use of Vacant Property

The Parties, after notification to the Commission and in coordination with UNHCR and other international and nongovernmental organizations contributing to relief and reconstruction, may temporarily house refugees and displaced persons in vacant property, subject to final determination of ownership by the Commission and to such temporary lease provisions as it may require.

Article XIV: Refugees and Displaced Persons Property Fund

1. A Refugees and Displaced Persons Property Fund (the "Fund") shall be established in the Central Bank of Bosnia and Herzegovina to be administered by the Commission. The Fund shall be replenished through the purchase, sale, lease and mortgage of real property which is the subject of claims before the Commission. It may also be replenished by direct payments from the Parties, or from contributions by States or international or nongovernmental organizations.

2. Compensation bonds issued pursuant to Article XII(6) shall create future liabilities on the Fund under terms and conditions to be defined by the Commission.

Article XV: Rules and Regulations

The Commission shall promulgate such rules and regulations, consistent with this Agreement, as may be necessary to carry out its functions. In developing these rules and regulations, the Commission shall consider domestic laws on property rights.

Article XVI: Transfer

Five years after this Agreement takes effect, responsibility for the financing and operation of the Commission shall transfer from the Parties to the Government of Bosnia and Herzegovina, unless the Parties otherwise agree. In the latter case, the Commission shall continue to operate as provided above.

Article XVII: Notice

The Parties shall give effective notice of the terms of this Agreement throughout Bosnia and Herzegovina, and in all countries known to have persons who were citizens or residents of Bosnia and Herzegovina.

Article XVIII: Entry into Force

This Agreement shall enter into force upon signature.

For the Republic of Bosnia and Herzegovina
For the Federation of Bosnia and Herzegovina
For the Republika Srpska

Annex 7 of the Dayton Peace Agreement, available at:
<http://www.crpc.org.ba/new/en/html/laws/DPA/annex7.htm>

Appendix IV: UNWRA Definition of Palestinian refugees

The definition of 'Palestine refugees' used by the United Nations Relief and Works Agency for Palestinian Refugees (UNWRA) is as follows:

« A person whose normal residence was Palestine for a minimum of two years preceding the conflict in 1948, and who, as a result of this conflict, lost both his home and his means of livelihood and took refuge in 1948 in one of the countries where UNRWA provides relief. » Refugees within this definition and the direct descendants of such refugees (only the descendants of male refugees, not those born to a Palestinian refugee mother with a non-refugee father) are eligible for agency assistance if they are:

- registered with UNRWA;
- living in the area of UNRWA operations; and
- in need⁹⁵.

Several categories of people are excluded from the UNRWA definition:

- those seeking refuge in countries where UNRWA does not operate (such as for example Egypt or Iraq; Palestinians who were outside Palestine in 1948; everyone who did not register with UNRWA;
- people displaced within Israel, sometimes known as "absent-present" (**see chapter on citizenship rights of the Palestinian minority in Israel**);
- people displaced in the June 1967 war who were not already refugees: with their descendants, they number about half a million people; and
- people expelled by Israel after 1967 mainly for political reasons⁹⁶, and those who went abroad and could not return because their residence permits expired⁹⁷.

⁹⁵ <http://www.un.org/unrwa/refugees/p1.htm>. The United Nations Relief and Works Agency for Palestinian Refugees (UNWRA) recognises only the descendants from male refugees as refugees. Thus if a female Palestinian refugee marries a citizen of another country, their children are not counted as refugees for the purpose of registration with UNWRA.

⁹⁶ **One famous example is Mahmoud Darwish!**

⁹⁷ Gresh, A. (1999), In the Shadow of Their Homeland: The Refugees: Facts and Figures, in: Le Monde. Diplomatie, February. The article is available at: <http://mondediplo.com/1999/02/06pals2>.

**Appendix VI: Extract : Salim Tamari, (1996), Return, Resettlement,
Repatriation : The Future of Palestinian Refugees in the Peace Negotiations,
FOFOGNET Digest, 22 April 1996**

One of the most succinct proposals for a final status positions in this regard was made by Rashid Khalidi, in his essay "Toward a Solution". Khalidi suggests a negotiated solution for resolving the claims of refugees based on five conditions:

- That Israel acknowledges its moral accountability for the creation of the Palestine refugee problem, including the means of socializing this recognition to the younger generation of Israelis.
- That Israel accepts in principle, the right of Palestinians and their descendants to return to their homes. The Palestinians--in return--will recognize that this right cannot be literally exercised inside 1948 Israel, and will have to exercise it in the state of Palestine. However as part of this conception, Israel should take into its domain several tens of thousands of refugees. Particularly those that have family members living inside Israel.
- A distinction should be made between reparations (for those who will not be allowed to return), and compensation (for those who lost property in 1948. Khalidi suggests the figure of \$92-147 billion for property loss (1984 figures, based on Kubursi and Hadawi's assessment); and \$40 billion in reparations, based on an estimate of \$20,000 per person for 2 million people.
- Palestinian exiles should have the right to return to the future Palestinian state, or (implicitly) to the areas under the control of the Palestinian national authority.
- Palestinians who chose to remain in Jordan should would be offered the choice of having full citizenship rights, or "limited rights" as citizens of the Palestinian component of the Jordanian Palestinian confederation.

Palestinians in Lebanon would be offered a choice: repatriation to the Palestinian state, return to the Galilee and acquisition of Palestinian

Appendix VI: Extract from the ICG's « Middle East Endgame: how a comprehensive Israeli-Palestinian peace settlement would look»

6. Refugee Elements: International Commission for Palestinian Refugees

(a) There will be established an International Commission for Palestinian Refugees (ICPR) whose members will include the U.S., Israel, Palestine, Jordan, Saudi Arabia, Lebanon, Syria, the EU, Japan, Norway, Canada, the World Bank and other countries and institutions as agreed by Israel and Palestine.

(b) The Commission will manage and guarantee implementation of the refugee provisions of the Israel-Palestine bilateral agreement. In particular, the Commission will:

(i) verify refugee status, explore the intentions of Palestinian refugees, and screen and process applications;

(ii) help with the relocation of refugees;

(iii) ensure that relocation shall be based on the freely expressed choice of the refugees;

(iv) raise and disburse compensation funds to individuals for lost land and property, resettlement assistance, and for displacement;

(v) establish fast track procedures for claims of compensation for property losses that fall under a specified amount;

(vi) provide a clear incentive to refugees opting for rehabilitation and compensation programs in Palestine and in present host countries;

(vii) raise and disburse compensation to countries (including Palestine) that have hosted refugees; and

(viii) ensure that priority for relocation and resettlement will be given to the refugees living in Lebanon.

(c) Signatories of this agreement will give sympathetic consideration to the resettlement of some Palestinian refugees within their territory.

(d) An International fund will be set up to support and finance the implementation of the provisions of the bilateral Agreement on Palestinian refugees.

(e) In order to implement the provisions of this agreement, the International Commission for Palestinian Refugees will establish a Rehabilitation Committee and a Compensation Committee.

(f) The Rehabilitation Committee will:

(i) determine and implement procedures for rehabilitation and relocation of Palestinian refugees in Palestine, those parts of Israel to be ceded to Palestine, or third countries, including present host countries and Israel;

(ii) ensure that rehabilitation and relocation is based on individual informed voluntary decisions and consistent with the principle of family unity. Applicants will list their resettlement options in order of preference. The Committee's final decision will be guided by the applicant's preferences;

(iii) coordinate with relevant countries to ensure smooth and rapid integration of the refugees.

(g) The Compensation Committee will implement the compensation provisions of the bilateral agreement. In particular, it will adjudicate claims, help determine the value of property lost by Palestinian refugees in Israel and the value of the resettlement package in various countries.

(h) Signatories to this agreement will cooperate in pursuing an equitable and just resolution of the issue of compensation to Jewish former refugees from Arab countries.

Appendix VII: Extract from: « President Clinton's Parameters, 23 December 2000»

Refugees

The president believes that the differences are with formulating the solutions rather than with what would happen on the practical level.

Israel is prepared to acknowledge the moral and material suffering caused to the Palestinian people as a result of the 1948 war and the need to assist in the international community's effort in addressing the problem.

International commission to implement all aspects that flow from the agreement: compensation, resettlement, rehabilitation, etc. The U.S. is prepared to lead an international effort to help the refugees.

The fundamental gap – how to handle the Right of Return (ROR). The president knows the history of the issue and how hard it is for the Palestinian leadership to appear to be abandoning this principle. At the same time, the Israeli side could not accept any reference to the ROR that would imply a right to immigrate to Israel in defiance of Israel's sovereign policy on admission or that would threaten the Jewish character of the state.

Any solution must address both needs and be consistent with the two-state approach that both sides have accepted as a way to end the Israeli-Palestinian conflict: The State of Palestine as the homeland for the Palestinian people and the State of Israel as the homeland for the Jewish people.

In a two-state solution, the State of Palestine will be the focal point for Palestinians who choose to return to the area, without ruling out that Israel would accept some of these refugees.

The President believes that the Parties need to adopt a formulation on the ROR that will make clear that there is no specific ROR to Israel itself, but that does not negate the aspirations of the Palestinian people to return to the area.

In light of that, the president suggests the following two alternatives:

1. Both sides recognize the right of Palestinian refugees to return to historic Palestine;
2. Both sides recognize the right of Palestinian refugees to return to their homeland;

The agreement would define the implementation of this general right in a way that is consistent with the two-state solution. It will list the five possible final homes for the refugees: the State of Palestine, areas of Israel being transferred to Palestine in the land swap, rehabilitation in the host countries, resettlement in third countries and admission to Israel.

In listing these options the agreement would make clear that return to the West Bank and Gaza or the areas acquired through the land swap would be a right for all Palestinian refugees while rehabilitation in host countries, resettlement in third countries or absorption into Israel would depend upon the policies of these countries.

Israel could indicate in the agreement that it intended to establish a policy so that some of the refugees would be absorbed into Israel consistent with Israel's sovereign decision.

The president believes that priority should be given to the refugees in Lebanon.

The parties would agree that this implements UNGAR 194.

Appendix VIII: Extract from Ilan Pappé : «Where they expelled ? – The History, Historiography and relevance of the Palestinian refugee problem »

« The unanticipated departure so early on in the war by ten thousands of Palestinians does not exclude the possibility that the leaders of the Jewish community, sitting on their war plans in March 1948, did not contemplate the depopulation of Palestine. These discussions revealed the dissatisfaction of the Jewish Agency with the state allocated to the Zionist movement by the UN partition plan: the designated state envisaged the citizenship of almost an equal number of Palestinians and Jews. This is why despite the first wave of voluntary refugees, the Jewish authorities, soon after, did prepare an expulsion plan. They had to be expelled, they could not be seduced to leave. Most of these Palestinians were villagers strongly attached to their lands and homes and not easily intimidated by acts of war; nor did they have the means to travel.

It is easier to find a common ground on the historical narrative to what happened after May 15, 1948. From that moment, 'new historians' in Israel and Palestinian historians, share a clear notion of 'what had happened'. It seemed that a coherent Israeli policy developed throughout May 1948. This began with the appointment of Yossef Weitz to head 'transfer committees'. Where expulsion failed, transfer was encouraged, by every possible means (even by setting fire to the fields of Palestinian villages considered wealthy or by cutting water supply to city neighborhoods). Weitz convinced the Israeli government in May 1948 to confiscate any looted Arab harvest for the needs of the newly born state. [xxx] This policy of burning fields or confiscating them continued throughout the summer of 1948. In between April and the end of May, 300,000 more Palestinian became refugees. All were expelled - if we accept that fleeing one's house, because the house of one's neighbor was ransacked, is an expulsion. Towards the end of the war, with mass operations by Israel in the North and South of Palestine, several massacres were committed, adding their weight to the flight of the population. In 'Ilabun, Sa'sa'a, Dawamiyya, Safsaf and Zurief, Palestinians were massacred. [xxxi] The atrocities, at least on that we may all agree, were not part of a master plan. In their case we can apply Morris' explanation for most of the expulsions - 'A la guerre comme 'a la guerre. Although, it is still a subject for future research to examine the collective memory of many Palestinians alive from that period who recall a systematic, limited, executions after the occupation of each Palestinian village by Jewish forces.

In those last stages expulsion was even more systematic and the war ended with 750,000 Palestinians (half of the Arab population of Mandatory Palestine) becoming refugees. This figure is a conservative estimation provided by the UN and which is challenged by Palestinian demographers who tend to talk about 1 million. [xxxii] It began with the expulsion of 150,000 in the operations of October and November 1948 and ended with scattered transfer operations which continued long after the fighting had subsided, as late as the mid-1950s.

This was part of the anti-repatriation policy of the Israeli government in the face of the international effort to settle the conflict in Palestine. Whoever was involved in this peace process, be it the UN or the US and Europe, they all agreed that unconditional repatriation of the Palestinian refugees would be an integral part of any solution. From June 1948, Israel was engaged in a policy aiming at creating a fait accompli that would render repatriation impossible. In June 1948, Yossef Weitz wrote in a memorandum that there was a consensus among those responsible for the 'Arab problem' that the best way to deal with abandoned Arab villages was by 'destruction, renovation and settlement by Jews'. [xxxiii] In August 1948 the Israeli government decided to implement Weitz's ideas to the letter. »

Appendix IX : The treatment of refugee issues in other ethnic conflicts – Cyprus, Bosnia Herzegovina and South Africa

In what follows three recent conflicts that have produced refugees, and where a solution has either been proposed or successfully implemented are presented as a basis for comparison to the Palestinian case. The cases reviewed are Bosnia-Herzegovina, Cyprus and South Africa.

Bosnia-Herzegovina

Background to the conflict

After the secession of first Slovenia and Croatia (and the recognition thereof by the international community), the Republics of Serbia and Montenegro started to call themselves the Federal Republic of Yugoslavia (FRY), as the successor state of the Socialist Federal Republic of Yugoslavia. Bosnia-Herzegovina was left as a territory with a largely mixed population, which, after it applied for and was granted international recognition in 1991 descended into war.

The Serbian authorities claimed that the dissolution of Yugoslavia had been caused by the illegal secession of Slovenia and Croatia, and that this had resulted in an 'inter-ethnic and civil war' in Bosnia. Serbian authorities also argued that the requisite territorial unit was that of Yugoslavia as a whole, and that any attempt to proclaim independence by the republics was in violation of the international law prohibition on disrupting territorial integrity. On the other side, Bosnian Muslims were caught in a situation where non-recognition of Bosnia as a sovereign state would leave the Bosnian claims for territorial integrity vulnerable to Serbian and Coalition expansionist claims.

Among the international community there were two competing views of the conflict, as well. Put briefly, according to the United States, the war in Bosnia was an 'act of aggression by Serbs against the legitimate government of a sovereign member of the United Nations', and part of a pattern of Serb nationalism begun by Slobodan Milosevic earlier in Slovenia and Croatia. The second view, associated with Europe and Canada, saw the Yugoslav and Bosnian conflicts as a type of civil war between long-time ethnic rivals, unleashed by the death of Tito and the fall of communism.

As the European approach – for a number of reasons on which we do not elaborate here – showed itself ineffective, the American approach dominated at the end of the conflict, when a solution was negotiated at Dayton in 1995, and its implementation overseen by the international community to great detail: first through a Peace Implementation Conference, continued Contact Group Meetings and last but not least the coordination of the Office of the High Representative established by Dayton. According to Annex 10 of the Dayton agreement, the High Representative is the final authority to interpret the agreement on the civilian implementation of the peace settlement. The Peace Implementation Council (PIC), a group of 55 countries and international organisations that sponsor and direct the peace implementation process, has subsequently elaborated on his mandate⁹⁸.

Return

The conflict in Bosnia Herzegovina resulted in the largest displacement of people to occur in Europe since the Second World War. In 1996 the UNHCR estimated that over 2 million people had been displaced, with approximately 1 million displaced within Bosnia Herzegovina, half a million living in the neighbouring countries formerly part of the federal Yugoslav state, and approximately 700,000 receiving temporary protection in other countries, half of which in Germany.

⁹⁸ Information in this section taken from <http://www.ohr.int/> and from Bell, C. (2000) *Peace Agreements and Human Rights*, Oxford, OUP, pp.107-117.

Return of displaced persons is centrally provided for in the Dayton Accords, also as a response to the crisis in the European recipient countries, which – to placate local public opinion – did not wish to apply the individualized protection international refugee law provides (human rights and right of non-refoulement) and created the new legal status of « temporary » protection. The latter left unclear « when, how and under what authority protection would be terminated »⁹⁹.

According to the Dayton Accords « all refugees and displaced persons have the right freely to return to their homes of origin. They shall have the right to have restored to them the property of which they were deprived in the course of hostilities since 1991 and to be compensated for any property that cannot be restored to them » (Dayton Agreement Art.1).

The right to return is specifically stated to be to 'homes of origin' although Annex 7 also provides that 'choice of destination shall be up to the individual or family and the principle of the unity of the family shall be preserved'. The UNHCR is called on to develop in close consultation with asylum countries and the parties a repatriation plan' to allow for 'early return of refugees and displaced persons (Dayton, Articles I and V) (for details see also Annex 7 to the Dayton Accords in Annex x to this paper).

A Commission for Displaced Persons and Refugees is established to deal with land claims. A procedure for addressing the claims is set out and the Commission given extensive powers to 'effect any transactions necessary' with regard to title to the property (see Dayton Accords Annex 7).

Compensation

A Refugees and Displaced Persons Property Fund is established in the Central Bank of Bosnia Herzegovina to be administered by the Commission. It is to be funded « through the purchase, sale, lease and mortgage of real property which is the subject of claims before the Commission » and by direct payments from the parties, by states or international or non-governmental organisations (Dayton Accord Annex 7).

Safeguards

The Dayton Agreement has created a balance between self-determination (through dividing Bosnia into two parts according to ethnic lines as well as through a cantonal structure which effectively splits the country along ethnic lines) while at the same time granting the ethnic minorities not only rights on paper (through the human rights provisions in the Dayton Accord and international treaties it incorporates), but also through a precise political division of power at the federal state, the republic and cantonal levels. Thus in addition to Bosnian-Croat-Serb proportionality in all the institutions of the Republic of Bosnia Herzegovina, where a canton is 'mixed', Bosniac and Croat, full consociational cantonal government is provided for¹⁰⁰.

In addition these same rules also aim to ensure that returnees do not fear persecution upon return. Among the measures implemented to this end are :

- human rights protections with enforcement mechanisms built into the constitution (created initially as Annex 4 of the Dayton Accord) ;
- provisions for international involvement in the shared institutions aimed at making them work (including the Constitutional Court);
- provision aimed at reversing the ethnic cleansing which led to the Entity and Federations's cantonal structures in the first place¹⁰¹.

⁹⁹ Bell, p.252

¹⁰⁰ Bell, p.148

¹⁰¹ Bell, p.149

Despite these measures, some elements of the Dayton Accords have in part confirmed the results of the ethnic cleansing operations by the Serbs, in particular the fact that in the Federation's constitution the Bosniaks and Croats are constituent ethnic groups, while Serbs are considered a national minority within a designated territory.

Currently, there are attempts under way (initiated by the Federation's Constitutional Court) to make all the three groups constituent nations across all of the country's territory, thus getting closer to a model of one state for all citizens, and one step away from ethnically defined internal borders. This would also make it easier for refugees and displaced persons to return to the Republika Srpska, where upon return they constitute a minority amongst those who contributed to their expulsion previously. However, these negotiations are still on-going and are part of a process of transition of a war-torn country to one which can become part of a united Europe where ethnicity is not a distinguishing factor in terms of civic rights and opportunities¹⁰².

In addition to the international parties' role in the implementation of the Dayton Accord, The Stability Pact for South Eastern Europe is a « first serious attempt by the international community to replace the previous, reactive crisis intervention policy in South Eastern Europe with a comprehensive, long-term conflict prevention strategy »¹⁰³. The Stability Pact is co-ordinated by the European Commission and the World Bank.

Implementation to date

Although the Office of the High Representative has the sole power of interpreting the agreement, it has no clear enforcement arm. International actors hold the balance of power in key domestic institutions, such as the Constitutional Court, which has the power to interpret the Constitution, including 'the relationship between the Entities or between Bosnia and Herzegovina...'. This has in fact marred progress of the implementation of the Dayton Accords. However, these mechanisms give the international community a continuing role in shaping the deal.

According to the latest available statistics, CRPC has adopted 223,454 final and binding decisions confirming the pre-war real property rights of refugees and displaced persons. So far CRPC has accepted 238,168 claim applications, relating to 314,124 properties (note: with one claim application several properties can be claimed back).

Since in accordance with the Law on Implementation of CRPC Decisions it is the obligation of domestic administrative bodies to implement the CRPC decisions, at this point, it is impossible to the EPIU to provide numbers which would show the implementation rate of CRPC decisions¹⁰⁴. However the overall implementation rate of property laws, according to the latest PLIP statistics, is 49%, in other words out of 255,000 claims currently on file in municipal housing offices, 141,139 have been solved¹⁰⁵.

¹⁰² Institute for War and Peace Reporting: Helsinki Committee for Human Rights in Republika Srpska, Bosnia & Herzegovina, Harmonizing Constitutional Changes, Monday, July 12th 2002,

http://www.iwpr.net/index.pl?archive/bcr2/bcr2_20020531_4_hr_eng.txt

¹⁰³ The Special Co-ordinator chairs the most important political instrument of the Stability Pact, the Regional Table. There are three Working Tables which operate under the Regional Table:

- Working Table I: Democratisation and Human Rights;
- Working Table II: Economic Reconstruction, Co-operation and Development;
- Working Table III: Security Issues (with two Sub-Tables: Security and Defence, and Justice and Home Affairs).

¹⁰⁴ The monitoring of the implementation of CRPC decisions which is being carried out by CRPC itself is still ongoing and at a stage when no precise data can be released.

¹⁰⁵ Information from Elmerina Ahmetaj, EPIU Legal Officer, obtained on June 24 2002.

How many have returned and where ? Compensation !? NEED INFO – PEOPLE SEEM TO BE ON HOLIDAY – CALL SOMEONE ELSE UP !

Cyprus

Background to the conflict

Cyprus is one of the conflicts where the parties are still very far from coming even close to a common understanding of what the conflict is about. Notwithstanding this fact the 'Set of Ideas' on an Overall Framework Agreement on Cyprus (UN Resolution 750, 10 April 1992), implicitly recognising the main concerns of both sides, as we shall see below. It has also been indersed in principle by both sides.

On the Greek side, the narrative spins on the struggle against British colonialism, presenting independence from Britain as a large success, while not mentioning the struggle of the Turkish minority for equal rights during the 1960's and 70's. Obviously it then condemns the Turkish invasion of 1974, insisting all the while that the two Cypriot groups lived peacefully all along. The Turkish Cypriot narrative on the other hand raises the human rights abuses the Turkish community has suffered under Greek Cypriot majority ignoring their rightful place as partners in the future of the island. In particular the Greeks are blamed for abruptly overthrowing the constitution in 1963, and forcing the Turkish Cypriots into enclaves until rescued by the Turkish army. Their lesson is that the two did not live peacefully together and cannot do so in the future.

Because no agreement exists as yet, we will use the UN Secretary General's 'Set of ideas' (endorsed by UNSC 750 of 1992) as a reference on how the issue is addressed by the parties and the international community. The 'Set of ideas' in essence is an attempt to return to the status of the Island following the end of British colonial rule, with additional safe-guards for the Turkish Cypriots, which include some of transitory and others of more permanent character.

Following the Turkish invasion of Northern Cyprus and the ensuing Vienna accords on the exchange of populations in April/May 1975 around 140-160,000 Greek Cypriots refugees from the north and 60,000 Turkish Cypriots from the south were created. This effectively created two enclaves where each of the communities have been living completely separated since then.

Return

According to the 'Set of Ideas' Cyprus is to become a bi-communal and bi-zonal federation, where the two communities are ensured political equality. While territorial division is maintained, Turkish Cypriots who in 1974 resided in the area that will come under Greek Cypriot administration will have the option to return to their homes (or to receive comparable residence in that area), and vice versa for Turkish Cypriots. « The settlement of those who select to return will take place after the persons who will be affected have been satisfactorily relocated. If the current occupant is als a displaced person and wishes to remain, or if the property has been sustantially altered or has been converted to public use, the former permanent resident will be compensated or will be provided an accomodation of similar value. »¹⁰⁶

Compensation

«Each community will establish an agency to deal with all matters related displaced persons, in respect of which those persons seek compensation, will be transferred to the ownership of the community in which the property is located. To this end, al titles of properties will be exchanged on a global communal basis between the two agencies at the 1974 value plus inflation. Displaced persons will be compensated by the agency of their community from funds obtained from the sale of the properties transferred to the agency, or through the

¹⁰⁶ 'Set of Ideas', Article VI

exchange of property. The shortfall in funds necessary for compensation will be covered by the federal Government from a compensation fund obtained from various possible sources such as windfall taxes on the increased value of transferred properties following the overall agreement, and savings from defense spending. »¹⁰⁷

Safeguards

Even though « Set of Ideas » (UN Res 750) is a relatively detailed document, which includes definitions of the powers of the federal government, and the structure, composition and functioning of the federal government. With proportional attributions of seats to each minority in the most important institutions it is very similar to the Lebanese model.

However, what is evidently missing from the document, is safe-guards which would allow for the encouragement of the integration of the Cypriot communities, with a view to prevent future outbreaks of conflict, as they have been foreseen and implemented in the Bosnian case. This becomes apparent in the lack of any institutional arrangements which would allow cooperation across ethnic boundaries. These issues have been addressed in the proposals put forward in a publication by CEPS, where convergence mechanisms are suggested that would see the « establishment of institutions and electoral mechanisms that encourage cooperation and discourage extremism and conflictual behaviour »¹⁰⁸.

South Africa

Background to the conflict

South Africa is the only example of recent conflicts where an agreement on the meta-conflict involving the main parties had been achieved at the stage of pre-negotiations, aided by the unambiguous language of international human rights provisions. In particular from the point onwards when the South African trade unions became involved in the negotiations (leading to the National Peace Accord on 14 September 1991), when the proclaimed aim was to establish a 'multi-party democracy in South Africa'.

However, also in South Africa there have been displaced persons, refugees, and a dispute between those advocating « separation » (expressed in terms of « provincial autonomy » of the 'homelands') and those advocating an all inclusive majoritarian system (the Inkatha Freedom Party (IFP) and the Freedom Party of the Afrikaner Volkstaat on the one side and the ANC and National Party (NP) on the other).

Return

In addition to being a struggle for equal civic rights, the conflict in South Africa also was about dispossession and exile. In particular the homelands policy saw thousands of people deprived of land and/or internally displaced.

While the return of exiles was already addressed at a pre-negotiation stage (whereby the ban on the ANC was lifted and indemnities were paid to returning exiles), the free movement of persons within a single South African state precluded issues associated with return as they have emerged in Israel/Palestine, Bosnia Herzegovina or Cyprus¹⁰⁹. However, the issue of property restitution remained.

Restitution and Compensation

The Interim Constitution provided a framework for addressing land-rights, the cut-off date for claims set at 19 June 1913 (the date of the dispossession of black South Africans through the Land Act of 1913). The criteria for the type of dispossession to be remedied included any

¹⁰⁷ 'Set of Ideas', Article VI, Displaced Persons

¹⁰⁸ Emerson, M. and Tocci, N. (2002). Cyprus as Lighthouse of the East Mediterranean. Shaping re-unification and EU Accession Together.

¹⁰⁹ Bell, p.45

dispossession « effected under or for the purpose of furthering the object of a law which would have been inconsistent with the prohibition of racial discrimination »¹¹⁰.

The Interim Constitution framework provided for restoration « irrespective of whether the land was privately or publicly owned, and the claims of the current owner and the claimant were to be balanced according to whether it was 'just and equitable to return the land. Where restoration of the land was not possible, then alternative state land could be made available to the claimant if possible, or compensation or other relief given »¹¹¹.

However, the Interim Constitution also provided effective protection of the current owners through a clause regarding the circumstances in which expropriation was possible, and rules guiding it. As a result, the actual restitution of property was turned into a political bargain in the negotiations leading to the Bill of Rights as part of today's Constitution of South Africa. Although a Land Claims Commission was established, it was not equipped sufficiently financially to adjudicate a large number of claims. At the same time, the ANC accepted that « while reversal of the great dispossession was an important goal, the main economic interest of the ANC's constituency centred around housing, employment and education and reconstruction more generally, rather than peasant farming. »¹¹²

In addition, while the Restitution Act attempts to redress the past, there are severe fiscal constraints. At the same time, the end of Apartheid has created a more level playing field, where the black population of South Africa has full citizenship rights and is able to fully participate in the democratic process, thereby acquiring increased rights in the areas of education, housing and employment. Nonetheless, some of the differences continue to be played out in the current context.

Safeguards

While the principles guiding the design of the future political system in South Africa were clear from the start of the negotiations, the legal and institutional safeguards were established in the process of negotiations. Starting from very strong human rights component (The Declaration of Intent of 21 December 1991), where the stated goal was for South Africa to become a « united democratic, non-racial, non sexist state in which sovereign authority is exercised over the whole of its territory »¹¹³, the Interim Constitution (1993) led to the first democratic elections in South Africa. Following these elections, a permanent Constitution was to be drafted, the principles of which had already been laid out in the Interim Constitution.

The Interim Constitution provided for elections following the proportional system, and also ensured that a measure of proportionality was the rule in key institutions (although explicitly transitory in nature for some institutions such as the Constitutional Court)¹¹⁴. Thus a compromise, even though transitional, was found between majority rule (feared by the White minority) and minority rule (the model under Apartheid), with a transitional period of a maximum of five years following the elections.

A similar compromise was found on a territorial basis regarding the sharing of power between the provinces and the federal state. In particular, the homeland leaders, which had much to lose in a purely majoritarian system, saw opportunities to preserve their power and weight in national decision making through forms of federalism (this applies to both Inkatha

¹¹⁰ Bell, p. 243, quoting Section 121(2)(b) of the Constitution of South Africa 1993, referred to as Interim Constitution.

¹¹¹ Bell, p.244

¹¹² Bell, p.245 quoting Chanock, M. (1999), A Post-Calvinist Catechism or a Post-Communist Manifesto? Intersecting narratives in the South African Bill of Rights Debate, in Alston, P. (ed.) (1999), Promoting Human Rights through Bills of Rights: Comparative Perspectives, Oxford: OUP.

¹¹³ Bell p.48 quoting Ebrahim, (1998), pp.529-31, 588-94).

¹¹⁴ Bell, p.127

Freedom Movement IFP in KwaZulu-Natal and the National Party in Western Cape). The resulting provisions of the Interim Constitution established nine provinces whose autonomy was preserved in the Permanent Constitution. In addition, minority rights were granted through weighted decision making in a number of institutions.¹¹⁵

Regarding human rights, the South African Bill of Rights, and independent judiciary and a Human Rights Commission to enforce infringements was to ensure that past violations would not be repeated.

¹¹⁵ Bell, p.131-132

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**THE FUTURE OF THE ARAB-ISRAELI PEACE PROCESS AND
THE BARCELONA PROCESS**

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DRAFT - NOT FOR QUOTATION

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

The driving force of bringing the European Union and the poorer states of the Southern Mediterranean together was the belief that through the building of large transnational trading and investment blocs, and through the creation of a free trade zone in the Mediterranean region by 2010, a closer set of political and socio-cultural relations would emerge. Enhanced economic cooperation would be matched with the development of new cooperative frameworks for future political security and civil relations. In the new post Cold War approach to security threats, traditional responses were no longer seen as sufficient to tackle the complex range of challenges such as migration flows, environmental degradation, human rights and economic development now facing the nation-state. States began to see the need to be drawn together and to create new frameworks of

¹ Claire Spencer 'A Tale of Two Cities' *The World Today*, March 1997.

cooperative security that would address the root causes of conflict and promote confidence, rather than rely on deterrence and containment.

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

- to strengthen political dialogue on a regular basis with the eventual aim of establishing a common area of peace and stability, including respect for human rights and democracy;
- the creation of a shared zone of prosperity through the establishment of a free trade area and a substantial increase in financial support from the European Union to attend to the social and economic challenges which come with transition;
- the development of an active civil society and the promotion of understanding between different cultures and exchanges at the level of civil society.

To fulfill such an ambitious and wide-ranging agenda as set out in the Barcelona Declaration would require a radical change in the domestic, foreign and security policies of the Southern Mediterranean partner states. It demanded a significant transformation in their domestic and economic policies and in their conception of civil society, a change in their threat perceptions and conceptions of security, and an opening in their economic and trade relationship with one other. It would also require a transformation in their perceptions of their own identity, self definition, and in their perceptions of regional identity and most importantly a belief and trust in a new Mediterranean idea. This would entail the linking of their economic needs and development and their future security needs within the framework on a new Mediterranean order and the European Union.

Above all, it would require a fundamental change and normalization in Israeli-Arab relations and an acceptance of Israel as an equal, full and legitimate member of the Euro-Mediterranean partnership. Without doubt the development and launching of the Barcelona process received its impetus from the progress made in the Arab-Israeli peace process and that Israel and the Arab states were heading towards a lasting and comprehensive resolution to their conflict. A critical and underlying assumption of the Barcelona Process, was that the Arab states were now ready to intensify their bilateral ties with Israel and to engage fully in multilateral cooperative ventures with Israel at the regional level. Equally, it also was assumed that Israel would invest in and see the Mediterranean region as its natural geopolitical environment; and that it would regard its security and economic prosperity as being linked with fortunes of the Euro-Mediterranean partnership. Furthermore it was unclear in both the design and the implementation of the Barcelona process how the European Union would bring about this change in the perceptions and interests of Israel and the Arab states and more importantly how it would respond should the peace process encounter future setbacks. The Barcelona Declaration merely stated : this Euro-Mediterranean initiative is not intended to replace the other activities and initiatives undertaken in the interest of peace, stability and development in the region, but that it will contribute to their success.

The experience of the past seven years reveals that above assumptions were flawed from the outset and that the European

Union has been unable to deal with challenges to viability of Barcelona process posed by the breakdown in Arab-Israeli peace process. This has raising serious questions about the future of the Euro-Mediterranean process as conceived in Barcelona. By the time of the meeting in Valencia in April 2002, many were openly wondering whether the Barcelona process had much life left and that it would survive the escalation in the violence between Israel and the Palestinians.²

The Prospects for Arab-Israeli Multilateral Cooperation

The convening of the Barcelona conference was done in atmosphere of high optimism that followed the signing of the Oslo Accords between Israel and the Palestinians. The signing the Israeli-Palestinian Declaration of Principles in September 1993 led to a series of further breakthroughs between Israel and its Arab neighbours. The breakthrough between Israel and the Palestinians was the catalyst for Israel and Jordan to sign a full peace treaty on 26 October 1994. It also paved the way for a qualitative and quantitative change in the activities of the five working groups of the multilateral talks, the convening of the MENA Economic Summits held first in Casablanca (October 1994) and then in Amman (November 1995). It also led to the opening up of economic relations between Israel and the countries of North Africa and the Gulf. In the case of Morocco and Tunisia, Israeli interest offices had been opened in the respective capitals of the two states.

² See speech by Spanish foreign minister to V Ministerial Euro-Mediterranean Conference, Valencia 22-23 April 2002.

By the time of the Barcelona conference, Israel and the Arab partner states of the Euro-Mediterranean partnership had already been engaged for the previous three years in a regional dialogue. As such, there was every reason for hope that the Barcelona process would be able to capitalize and build on the progress already achieved in the multilateral talks and MENA Economic Summits. Indeed many of the sectoral issues to be addressed within the Barcelona work plan, such water management, tourism, environment, trade mirrored the projects already discussed within the multilateral talks. Not only was it the mirroring of issues but in many cases, but the planned activities within the Barcelona framework would also involve many of the same personnel and bureaucracies. It was expected that the collegiality, understandings, personal contacts and working relationships developed in the multilateral talks would spill over into the Barcelona framework.

A further point of hope was the participation of Syria and Lebanon in the Barcelona meeting. These two countries had consistently refused to attend any of the meetings of the five Arab-Israeli multilateral working groups, arguing that the Arab world should not discuss matters of regional cooperation with Israel until a comprehensive political settlement had been reached with Israel at the bilateral level. However, in the case of the Euro-Mediterranean partnership, Syria and Lebanon chose not to boycott the proceedings and took their seats around the table placing along with Israel their signatures on the Barcelona Declaration.

However, a closer and more sober look at the state of Arab-Israeli multilateral talks and the regional dynamics at the launching of the Barcelona process reveals a more pessimistic picture. The demise of the multilateral talks, which many date with the coming to power Binyamin Netanyahu in Israel in May 1996 and subsequent slowdown in the Israeli Palestinian peace process, was already under way prior to the launching of Barcelona process. As the multilateral talks moved to point of reaching agreements and implementing projects, it was inevitable that discussions would become sharper, that conflicts of interest would emerge and that disagreements would arise. Those disagreements--and in particular an emerging rivalry between Israel and Egypt, in particular over the inclusion of the issue of weapons of mass destruction on the agenda of the Arms control and Regional Security Working Group (ACRS) --began to dominate the proceedings and ultimately stifled the activities of the multilateral working groups. This emerging regional rivalry between Israel and Egypt split over into over aspects of the multilateral talks. Only weeks before the signing of the Barcelona Declaration, Amr Mousa berated other Arab states at the 2nd MENA Economic Summit held in Amman for rushing to normalize their relations with Israel. One year after the signing of the Barcelona Declaration in November 1995, the Arab states formally declared that the suspending their participation in the multilateral talks and their refusal to engage in talks about regional cooperation with Israel. Although there was some hope about reviving those talks in January 2000, none of the five working groups of the multilaterals have met since that point.³

³ The Steering Committee of the Multilaterals talks meet in Moscow in January 2000 to discuss the revival of the five working groups but the none of the five working groups met following that meeting.

The hoped for spillover from the multilateral talks into the Barcelona process proved to be negative rather than positive. The United States, which was overseeing the multilateral talks, had failed to contain the rivalry between Israel and Egypt and the European Union was to fare no better in this task.

It took little time for the rivalry between Israel and Egypt to spill over into the meetings of the Barcelona process. Even before the first ministerial follow-up meeting to Barcelona, difficulties emerged in the area of political and security dialogue. All proposals put forward by the Europeans were immediately vetoed by the Arab states who were unwilling to cooperate with Israel matters related to security and confidence building measures. This was followed by the refusal of the Arab states to host any meeting because of the participation of Israel. As a result, the intention of holding the follow-up ministerial conference in Tunis was dropped and was moved to Valetta, Malta. The Arab- Israeli peace process dominated the proceedings prior to Malta. At meetings leading up to the Malta Conference, virtually all preparation of documents relating to the political and security chapters of the Barcelona Declaration was paralysed. Arab states were adamant that any arrangement at Malta that might be construed as security-related cooperation with Israel be avoided. Whilst European officials went out of their way to stress that they did not want the Malta meeting to be dominated by the crisis in Israeli-Palestinian relations, at Malta, the fortunes of the Middle East peace process and the Barcelona became entwined.

This was particularly the case in area of political and security cooperation and the drawing up of a Mediterranean Charter for Peace and Stability. A Euro-MeSCo report on political and security concluded that 'the persistence of a number of long standing conflicts, particularly the conflict in the Middle East...make the early implementation of military and military-related Confidence Building Measures (CBMs) and Confidence and Security Building Measures (CSBMs) difficult'. It continued: 'The resolution of the Middle East peace process is a precondition for the implementation of a fully-fledged area of peace and stability in the overall Mediterranean environment'.⁴

Little progress was made at third ministerial meeting in Stuttgart in the area of political and security cooperation and the drawing up of a Mediterranean Charter for Peace and Stability. Whilst general areas for discussion and principles were drawn up and agreed upon, no concrete measures or deals were settled upon by the participants. However there was no time frame established for the signing the Charter at the Stuttgart conference, only an understanding that it would be signed "as soon as political circumstances allow."⁵ That is to say when *sufficient* progress has been made in the Middle East peace process, though sufficient was left undefined .

The Arab position towards further discussion and the signing of the Charter is best summed up by Fathy El Shazly:

⁴ EuroMesco, Joint Report, Working group on Political and Security Cooperation and Working Group on Arms Control, Confidence Building and Conflict Prevention, April 1977.

⁵ See Justin Hutchene' EMP issues after Stuttgart. p 5.

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

- It would be very difficult to accept military measures as long as foreign occupation persisted
- Necessary time should be allowed for the reflection on and drafting of the Charter, with the hope that by the time it will be ripe for implementation peace could have finally been achieved in the Middle East.⁶

At the Ministerial Meeting in Marseilles, the hopes of the French Presidency that the Charter might come into force were dashed by the boycott of Syria and Lebanon of that meeting. By the time of the Valencia gathering in April 2002, with the worsening crisis in Israeli Palestinian relations, hopes for making any further progress on the Charter had all but disappeared from the agenda. The Presidency concluding remarks made no reference to the Charter. Similarly the Valencia Action Plan approved by the meeting relegates future work on the Charter to a single sentence: The conference agreed' ' to confirm the mandate of the Senior officials on the Draft Charter for Peace and Stability to continue their work as *appropriate* (my italics) so as enable the Charter to be adopted as soon as the political situation allows.

⁶ Fathy El Shazly, 'The Development of the Euro-Mediterranean Charter for Peace and Stability', in *The Future of the Euro-Mediterranean Security dialogue*, WEU Occasional Papers, No 14, March 2000 p.27.

Israel and the Barcelona Process

If the assumption that by the time of the launching of the Barcelona process, the Arab states had reconciled themselves with the idea of participating in regional security ventures with Israel was flawed, so too was the idea that Israel would see its geopolitical environment set within a new Mediterranean framework.

Israel greeted the launching of the Euro-Mediterranean Partnership with an element of wariness and skepticism but with little expectation and no clearly defined strategy. At face value, Europe's strategy of bringing about socio-economic change in the Mediterranean and of promoting new frameworks of regional cooperation mirrored Shimon Peres' vision of a new Middle East. The willingness of Syria and Lebanon to participate in the process was also seen at the time as a positive step forward. Moreover, Israel under Shimon Peres saw Europe having the potential of playing a positive role in bringing of Israeli-Arab reconciliation.

But as Rafella Del Sarto clearly points Israel feels quite uncomfortable with the EMP's Mediterranean region-building logic. From an Israeli perspective, being considered a 'Mediterranean country' disregards Israel's 'European-type' political and economic features. In spite of having participated in the Partnership for several years, Israel had not internalised the EMP's underlying principles, and it has lacked of a strategy towards the Mediterranean. Indeed, even before the peace process broke down, the EMP did not figure among Israel's foreign policy preoccupations and in its discourse, and the Mediterranean

theme was not the subject of any broad public debate either.⁷ Many in Israel viewed Europe's agenda in the Mediterranean, namely the fear of instability in North Africa and illegal migration as of little concern to Israel. Others, especially those in the ministry of finance, saw little financial gain from Israel's involvement in the Barcelona process and felt that Israel had 'more in common with the European side of the Partnership than with the other MNMCs. Economically speaking Israel would prefer to speak of the '16' and the '11' rather than the '15' and the '12'. In short, viewed from Israel, the Barcelona Declaration undermines the special economic status accorded to Israel at the December 1994 Essen summit⁸.

Israel's looked upon the role and the interests of the European Union in the Barcelona process with varying degrees of suspicion and hostility. Given Europe's performance in the Regional Economic Development Working Group (REDWG) there was little expectation in Israel that Europe would be a motor for change in the Mediterranean region and that it would succeed in fulfilling its regional ambitions. Above all, there was concern in Israel that despite its assertions to the contrary, the European Union would use the Barcelona process to gain influence in the Middle East process and see it as an alternative rather than complementary process to the multilateral talks. Under Netanyahu, relations between Israel and the European Union deteriorated to a low with the Berlin Declaration of March 1999 in which Europe came with its most explicit statement in support of

⁷ Rafaella Del Sarto, 'Israel's Contested Identity' paper prepared Conference on the "The Convergence of Civilizations? Constructing a Mediterranean Region," Lisbon 6-9 June 2002

⁸ See Alfred Tovias, Israel and the Barcelona Process, EuroMeSCo working papers no 3, p.5.

Palestinian statehood. Netanyahu's denouncement of the Berlin Declaration and of Europe was sharp and scathing: 'it is a shame that Europe, where a third of the Jewish people was killed, should take a stand which puts Israel at risk and goes against our interest'⁹. Whilst relations between Israel and the European Union improved under Barak, the past two years have seen a rapid deterioration in Israel's relations with the European Union. Before one can speak of ways of reviving the Barcelona process and Israel's participation in that process, there is a prior need to attend to an improvement and the development of a strategic dialogue between Israel and the Europe.

Whilst Israel spoke of the importance of regional cooperation, by the time of the signing of the Barcelona Declaration, the importance of developing new regional security structures was receding in Israel's thinking. With election of Binyamin Netanyahu as Israel's prime minister in May 1996, visions of a new Middle East and future regional cooperation between Israel and the Arab World were ridiculed as naive and fanciful. The multilateral talks and the meetings of the Barcelona process were viewed as an environment of the 'new cold war' between Israel and the Arab world. Israel's Mediterranean strategy now was directed towards developing its new alliance with Turkey and not in trying to find a role within the Euro-Mediterranean process. The outbreak of the Al Asqa Intifada in September 2000 and the ever increasing crisis in Israeli-Palestinian the prospects for cooperative ventures with the Arab world has receded even further and seem ever more fanciful. Few in Israel, if any, see Israel's future economic well being and its security as being embedded with a

⁹ See Joel Peters; Europe and the Arab-Israeli Peace Process: The Declaration of the European Council of Berlin and Beyond' in Sven Behrendt and Christian Peter Hanelt, Bound to Cooperate, p.157.

Mediterranean framework. The idea of separation and integration from the Palestinians and the Arab world is the dominant feature of the discourse with Israel and peace camp. The wave of suicide bombings and Israel's response to those attacks have destroyed for the foreseeable future hopes of bringing about a new set of cooperative relationships between Israel and the Arab world. Readjustment and the reengagement of bilateral ties is the first priority and a prerequisite before one can think about regional ventures.

Ways Forward

Five years after the signing the Barcelona Declaration, the European Commission was forced to conclude:

Difficulties in the Middle East peace process have slowed progress and limited the extent to which full regional cooperation could develop. Not only are the countries in the region very different in terms of political systems and levels of economic development but some are much more affected by the evolution of the peace process than others. Willingness to cooperate more actively with neighbours has been held back by the politics of the peace process¹⁰

At the time Chris Patten, the Commissioner for External Relations optimistically spoke that once there is a breakthrough on all tracks of the MEPP, the political and security dialogue will be able to unfold

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

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Where does all this leave the European Union and its Mediterranean strategy. The following options need to be considered:

1. Abandoning the Barcelona Process:

The report produced by the European Commission reviewing the first five years of the Barcelona process had difficulty in pointing out any significant achievements and was forced to conclude:

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

At that time Chris Patten, the Commissioner for External Relations optimistically spoke that once there was a breakthrough on all tracks of the MEPP, the political and security dialogue will be able to unfold more rapidly. The preceding analysis of this paper reveals that Patten's assesment at the end of 2000 would have been overly optimistic even without the outbreak of the second Intifada and the breakdown of the Israeli-Palestinian peace process. The expectation that Israel and the Arab world might in the near future be prepared to sit down and talk about new structures of regional security within the framework of the Barcelona process are illusory and niave. The escalation and nature of the violence of the past two years has meant that the prospects of normalization between Israel and the Arab world have receded furhter into the background. As pointed out above separation from and not integration with the Arab world is the dominant discourse in Israel society.

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The Future of the Barcelona Process

Continuing efforts to promote new forms of regional structures encompassing all the countries of Mediterranean region has little political utility for the European Union. Whilst the European Union went to great pains to stress that the Barcelona process and the Middle East process were two separate and complementary processes, the reality has been opposite. Ever since the second summit meeting held in Malta, the Middle East peace process has dominated the proceedings of the meetings. Addressing the crisis between Israel and the Palestinians was the focus of much of the discussions in Selville and featured prominently in the communique issued at the end of the meeting. As has already been mentioned, future progress the political and security chapter of Barcelona is dependent, at best, on significant progress in the Middle East peace process and will have to await the emergence of a sovereign Palestinian state.

The domination of Middle East peace process within the meetings of the Barcelona process not only affects negatively Europe's hopes of bringing about political, economic and social transformation in the Mediterranean region but also adversely affects Europe's possibility and the capacity of the European Union to play a more prominent role in the Middle East peace process. The Barcelona process does present a viable framework for attending to reviving the Middle East peace process and ending the violence between Israel and the Palestinians. The European Union does have an interest and does have an important role to play in those efforts. But the continuation of the political and security aspects of the Barcelona agenda only limits the European Union from presenting itself a credible party in future bilateral negotiations. The arithmetic of the Barcelona framework leaves Israel isolated and only serves to reinforce the perception within Israel of the pro-Arab/anti-Israel position of the countries of Europe. The weakness and inability of the European Union to mediate differences and promote the security elements of the Barcelona from 1995-2000 indicate the continuation of the Barcelona process will only harm and not

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nificant role in the Arab-Israeli

most extreme of the possible options
investment made by the European
and the drafting and signing of the
of action would be a significant
such a step being undertaken.

abandon - quietly - the political and
and focus on the economic and civil
opening over the past couple of

adjusting its aims to the promotion of civil society in the Mediterranean. It is creating a new sense of regionalism in the region and new instruments for cooperation, far from the political agenda of Europe. This can be seen as a reflection of the changes in the region and the signing of the Oslo Accords, and the new political realities of the region.

partnership in 1995 and the idea of a European Union in regional
a and the Balkan region was not

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The Future of the Barcelona Process included whilst Jordan was. Regardless of the difficulties that the process has faced over the past seven years, the Euro-Mediterranean partnership now faces the possibility of disintegrating in the context of EU enlargement. The Euro-Mediterranean partnership consists of four non-Arab states from the 'South' - Malta, Cyprus, Turkey and Israel. Of these Cyprus and Malta are due to the European Union in the first round of the enlargement scheduled for 2004. Whilst the process of accession for Turkey will take much longer, Turkey's attention will be focussed on its entry to the European Union rather its active engagement in the Euro-Mediterranean partnership. The inclusion of countries from Central and Eastern Europe into the European Union will create a further struc.

The reshaping of the Euro-Mediterranean partnership can take a number of forms:

It could compromise the inclusion of the Gulf States and therefore constitute of a revival of the Euro-Arab Dialogue.

It might consist of promoting sub-regional cooperation - either Euro-Mashrek, Euro-Magreb, Euro-GCC.

Or the European Union might be consider fostering multilateral cooperation with those states around the Mediterranean basin prepared to engage in regional ventures with Europe.

4. Refocusing Barcelona:

This option is in many respects similar to aims of option 2 but rather than letting the agenda of Barcelona quietly slip, the European Union would explicitly refocus its efforts and aims in a number of specific areas, such as the promotion of free trade and the liberalization of the economies of the 'South',

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the promotion of the rule of law, the protection of minority rights, the promotion of a dialogue between a Christianity and Islam.

5. The Place of Israel:

Where does all this leave Israel and its relationship with Europe and the Arab World.

As part of the designing of the Euro-Mediterranean partnership, Europe needs to rethink its long-term relationship with Israel, especially within a post-peace environment. Israel sat uneasily in the Euro-Mediterranean partnership. It did not fit neatly into either side of the equation. The potential future relationship between Europe and Israel is presented in the paper by Alfred Tobias and will not be repeated here.

As for Israel's place in the Middle East, the European Union should support all potential bilateral and multilateral ventures.

It should back elements of normalization as part of any future peace process and support initiatives such as the Saudi peace plan which address the need to foster long-term reconciliation between Israel and the Arab world.

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**A DISCUSSION OF ISRAEL'S POLICY OPTIONS
REGARDING ITS FUTURE INSTITUTIONALIZED RELATIONS WITH
THE EUROPEAN UNION**

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1. Introduction

For Israel the framework of the Barcelona process remains difficult. While participating in the process as southern Mediterranean country, Israel notably differs from its southern neighbours in terms of its socio-economic features, which are more similar to those of EU countries. The perspective of the EU accepting the future membership of up to eleven countries (including Turkey) in Eastern Europe and the Mediterranean Basin, all of which with GDPs per capita (in \$) below the Israeli level will transform the EU into an economic and political entity of 27 or 28 countries which will be even much closer than now to Israel, not only geographically, but politically, culturally and economically as well. The nature of the Euro-Mediterranean Partnership will change as well with such an Enlargement since all Mediterranean non-Arab countries will be EU members but Israel. Pressures from the South to transform the EMP into a Euro-Arab Partnership will be strong. The EU and Israel will be obliged to revise in such an event the type of link they wish to establish. The paper explores some possible options.

2. Three policy options

Option 1 : Betting on the EMP and the Barcelona Process

According to many Israeli officials, the benefits of the Barcelona process for Israel have been, at least in the short run, rather unsubstantial. In economic terms, the importance of the Partnership is marginal as well. Israel does not benefit from MEDA funds, and cumulation of origin rules is a long way off, given the EU's traditional position that south-south free trade agreements must be signed and rules of origin in bilateral trade agreements must be unified beforehand. This is even more so since 2001 when it was decided to offer Pan-European cumulation to Mediterranean Non Member Countries.

Israel would like to see a more genuine co-operation among the participants in the framework of Barcelona, and less politicization. However, against the backdrop of

the current collapse of the peace process, the *Al-Aksa Intifada*, and re-emerged tensions between Israel and Arab states, the prospects for such a development are even more difficult, to say the least.

In spite of these deficiencies, this line of thinking underlines that Israel should still be clearly interested in the continuation of the Barcelona process. It is important for Israel to preserve this process as the only forum for multilateral co-operation with its neighbours, no matter the difficulties thus far – and in the foreseeable future. Although the present does not offer a comforting picture, Barcelona may be able to boost Euro-Mediterranean co-operation for the benefit of all the parties concerned once and if the peace process is re-launched. In this event, the already existing networks of Mediterranean co-operation and the role of civil society may be crucial for the consolidation of peace. Thus, no one should expect miracles from the Barcelona process for the time being, according to the supporters of this policy option, but it is important to bear in mind the potential benefits of the Partnership in the long run. Of course the mainstay of EU-Israel relations from this policy perspective remains the bilateral association agreement signed in 1995 with all its limitations (basically an FTA plus agreement).¹ This policy option is discarded by the author for the reasons mentioned below.

Option 2: Factor in the next EU Enlargement and apply for EEA membership

The second policy option emphasizes the failure of the EMP in terms of its declared goals. As this author has proved in several published papers, the economic component of the EMP cannot in a substantial way attain its own declared objectives, namely the stabilization and growth of the Mediterranean Arab economies. The main reason is that the EMP does not lead to real economic integration of Mediterranean Non Member Countries in the European hub, as does, e.g., integration in the European Economic Area or in the EU. As explained elsewhere², only membership in one of these two clubs can work, albeit in the long run, as a really effective anchor for wide-ranging reforms, economic integration and economic modernization. In this respect a mere institutionalization of the EMP would not be helpful (as suggested by Xenakis and Chrysoschoou, 2001, p.119). On the contrary, the EMP has focused too much on form and procedure and too little on content. The 1995 association agreement does barely take care of “second generation” issues related to the development of the EU’s Single Market (phasing out of technical, administrative and fiscal barriers to trade). An ancillary agreement on government procurement signed in 1997 remains very unsatisfactory. Apart from the fairly nice success of Israel’s incorporation in the 4th and 5th R and Framework Programmes, the “special status” that Israel was supposed to be given according to the 1994 Essen Council has not materialized.

Meanwhile the EU does not stand still. This is a second point which would be emphasized by this policy school. For instance, the EU is engaged in finishing the negotiations for the admission of up to ten new members in Southern and Eastern Europe by the end of 2002, making it possible that actual entry be as soon as January 1 2004. What are the main economic and political implications for Israel?

¹ For an analysis of the agreement see Ahiram and Tovias (1995) and Hirsch (1996).

² Tovias (2001).

1) Focusing on trade, the entry of the most developed countries in Eastern Europe (such as Hungary and the Czech Republic) into the EU is of particular relevance for industries in Israel as this author has shown in previous research³. For Eastern Mediterranean countries, including Israel, the entry of Cyprus is also relevant in terms of potential trade diversion.

2) Israel's trade dependence in relation to the EU will increase as has happened with every past Enlargement but only slightly. Potential EU trade sanctions or anti-dumping investigations on Israel will bite more than before.

3) The incorporation of Cyprus means that Blue Europe is extended further in the Mediterranean towards the Eastern Mediterranean. This means concretely that Israeli boats fishing in Cyprus exclusive economic zone waters, of 200 nautical miles for all the area to the South of the Island, will have to respect EU regulations. Negotiations for the right to fish in those waters will have to be conducted by Israel with Brussels rather than with Nicosia.

4) The EU will be involved much more than before in the prevention of environmental hazards arising in the Eastern Mediterranean. Israel will find it has to cooperate and deal directly with the EU in trans-national environmental issues involving Cyprus waters and marine coast.

5) With an even larger single market, the EU will become even more attractive to direct investors than before. This is relevant for Israel insofar as the EMP is based on a "hub and spoke" system, which tends to draw FDI to the "hub". This will be even more so with Enlargement. As indicated above, the "hub-and-spoke" system will not unravel any time soon, because the prospects of applying Pan-European rules of cumulation any time soon are slim and the current political situation precludes even in the medium run to contemplate FTAs between Israel and Arab countries belonging to the EMP.

If the assumption is that policies in the EU, and external policies in particular, are driven by particular coalitions of countries, one reaches easily the conclusion that the Barcelona process will lose steam, all other things equal. The reason seems simple: the addition of Cyprus, which is directly concerned by EU-MNMCs relations, cannot compensate for the lack of interest of the other negotiating candidate countries regarding Mediterranean-related issues. Most experts consulted predict that in view of these Central and Northern European countries' foreign policies Russia, the Ukraine and South Eastern Europe will become more than now the focus of the enlarged EU's external relations and more attention will be given to the European continent, in comparison to the current situation.

This general outlook must be qualified in the case of Israel-EU relations after the Enlargement, which in the view of this author, look promising. Poland, Hungary and the Czech Republic feel certain cultural and historical affinities with Israel. The latter

³ See Tovias, A. (2000) *From 15 to 21 : The Impact of the Next EU Enlargement on Mediterranean Non Member Countries*, Marseilles, FEMISE Research Program, October 2000, 53 pages, http://www.femise.org/PDF/A_Tovias_1000.pdf

is also regarded as a powerhouse in R and D with which it makes sense to cooperate. It is therefore likely that the Enlargement will favour a strengthening of institutional relations between the EU and Israel. More generally, the applicants will be among those siding with those EU member countries that are more receptive to Israel's contention that it should be treated by the EU as an EFTA-like country.

Given these new inputs in EU policy-making and the recognition by the EU that Israel deserves a "special status" because of its high economic development, Israel should apply for entry into the European Economic Area, which provides for inclusion in the EU's Single Market for EFTA countries which do not want to be full members of the EU, such as Norway or Iceland. It implies, in short, full economic integration without political integration in the EU. This model of relations could suit both sides. As explained in Emerson et al.(2002), it has worked well for eight years now and according to its original intentions. Because the Arab-Israeli conflict is still not solved and might remain unsolved for a long time, it stands to reason that many EU member states would reject an Israeli application for membership in the EU (see Option 3 below). In contrast, access to the Single Market is practically devoid of political significance. For Israel, economic anchorage into the EU seems of primordial importance. In the short and medium run, Israel would not be willing to rely on EU membership for its own security, something sharply in contrast with the position adopted by Cyprus. In fact many Israelis would oppose at this stage of national development entry in a supra-national club. Even the EEA formula might be considered too much for some, since it would imply freedom of movement of manpower between Israel and other members of the EEA. On the other hand, Israeli law-makers could be sympathetic to the idea of both participating in the EU's *decision-shaping process* (the formula adopted in the EEA) and adjusting to the *acquis communautaire* in the domain of trade in goods, services and capital, because in fact the effort to be done would be in many instances minimal. Current legislation is quite close to the EU's one in many sectors and domains. Israel adopts generally European standards, which are easier to understand than those of the US and in any case the latter do converge many times to European ones. The reform efforts to be done by the Israeli legislator would be worthwhile since more than 40% of Israel's trade in goods and services is with the EU and even more so after the coming Enlargement. For instance issues as mutual recognition of professional competence and diplomas are key for the development of an Israeli economy increasingly based on the export of high-tech services.

To enter the EEA Israel would have first to become an EFTA member. Israel has since more than a decade a well-functioning FTA agreement with EFTA which should facilitate such a step. Of the present EFTA members, this author thinks that Switzerland, Iceland and Liechtenstein would be quite receptive to the idea as a way to re-equilibrate the EU-EFTA relationship. Norway, which is the dominating non-EU partner in the EEA, might be more cool. Not to be forgotten is that Israel with a population of 6.5 million people is demographically larger than the present EEA (less than 5 million people). Norway might be cooler to Israel membership for political reasons all the time that no peace prospects or a revival of the Norway's-led Oslo Process (!) is not in the offing. On the other hand, as Switzerland for EFTA, Norway might be interested in having EEA membership beefed up by accession of a non-problematic country in economic terms to re equilibrate EU-EEA relations and counteract somewhat Norway's perception of increasing marginalisation. Israel would

be probably called by the EU when acceding to the EEA to financially contribute into the Financial Mechanism (and thus contributing to the EU's Structural Funds), particularly after the coming Enlargement and Norway might be attracted by this new kind of EEA burden-sharing⁴. This is not the case now in the context of the EMP. However in view of the advantages that accession to the Internal Market would have for Israel this is a small price to pay for. In fact Israel would be better in Norway's and Iceland's company than , as now, among Mediterranean Non Candidate or Member Countries (i.e. all the Arab Mediterranean Countries). The EEA formula might be even more attractive for Israel than for Norway, because at present the former does not have a pressing need to be associated to EU policies which have been adopted after the 1992 EEA agreement was signed and which have been incorporated in the Maastricht, Amsterdam and Nice Treaties. For instance there is no obvious advantage for Israel to be part of the Schengen Agreement, but rather the contrary. Because of the security needs , Israel will be eager to maintain tough border controls even after Peace Treaties are signed (an aspiration which reminds us of the position of the British government) . In another domain, and after a lengthy academic debate, most Israeli experts concur that an adoption of the Euro (whether on a unilateral basis, on a currency board basis or as part of a EU membership package) is not in Israel's interest in view of its geographical trade patterns (in great part turned to the \$ area) and financial links with the United States (in terms of investment and aid flows) . This contrasts sharply with the position of Norway, Iceland and Liechtenstein. To this must be added the risk of (hopefully-receding) asymmetric shocks, mainly of political origin (such as war, boycotts and so on). A third example is CFSP, which is progressively being implemented using QMV in the Council of Ministers, and that will be even more so after Enlargement, a situation with which Israel would have difficulty to live with for obvious reasons (mainly geopolitical ones) but also for less obvious ones (e.g. the existence of a large Jewish Diaspora outside Israel and Europe). And as for any of the smaller EU member or candidate countries, many in Israel would fear that in the future the EU's foreign policies would be determined in the capitals of the 3 or 5 largest EU member countries.

Of course, this author is aware that (Israel's) participation in "decision-shaping" would not amount to much , particularly in an Enlarged EU(Emerson et al., 2002, pp.29-31), but certainly this "much" would be a quantum change in relation to the present status of no influence whatsoever. To give a sense of what is at stake here, Israel is associated fully to the 5th R and D Framework Programme, to which it is contributing with funds and human resources. From discussions held with the relevant actors this author can say it is a well respected associate with above average input in decision-shaping . And as Emerson et al. explain (p.31) much indirect influence is obtained by full participation of civil society actors of EEA states in European-wide networks. Israel is already participating in some of them but would gain much in expanding to new domains where it is not yet represented and so prepare better the ground for EEA membership.

⁴ This contrasts , e.g., with the case of Russia and other Eastern European countries which have been mentioned as potential EEA members. And given its demographic weight, Russia's participation among non EU EEA members would scare the latter much more than Israel's.

One of the main advantages of the EEA formula for Israel in relation to membership (see next option) is the possibility to maintain all the FTA agreements it has been signing for more than a decade and in particular the 1985 FTA agreement with the US.⁵ This author is certainly aware of some of the limitations in the margin of maneuver that non-EU members of the EEA have in their trade policy. Curzon(1997), p.199, states, for instance, quite emphatically that the latter would not be free to negotiate on services or capital movements with third countries. Concerning the negotiation of mutual recognition agreements with third countries of certification and tests the EEA Treaty states clearly that EFTA countries must conform to the format used by the EU in previous negotiations with third countries. In a trade war between the EC and the US, Norway would almost certainly align itself on the EC but it would put Norway in a terrible position. And the EC cannot count on the backing of Norway automatically in WTO negotiations or when its DSM (Dispute-Settlement Mechanism) is invoked or activated by a non EEA-member country, such as the US. For instance, in the banana dispute, Norway could remain aloof and of course was not included among the countries regarding which the US retaliated. To illustrate this point further, it appears that Norway will probably align itself with the US and against the EC on fishing issues when raised in the Doha Round.

Another advantage of the EEA formula probably for many Israelis is the ever-existing possibility, if need be, of withdrawing from the EEA after one's year notice. This is important for a country submitted to a very idiosyncratic geopolitical environment. On the other hand membership is "Catholic marriage", a no-divorce contract. And in relation to the Swiss approach, and quite paradoxically, it appears according to Emerson et al. (2002), that the latter procures a less strong sovereign position to Switzerland than the EEA states, "since it has no equivalent to the EFTA Surveillance Authority and Court" (p.110).

This leads us to what might be perceived by many in Israel as the main hidden advantage of the EEA formula over the third option below (EU membership): not having to pose the question of Israel's identity. This is important not only for the usual suspects, but quite paradoxically for some in the Peace camp and the secular Left in Israel, that still believe that in spite of past failures, the idea of a New Middle East and the development of a Mediterranean identity could still make a comeback. Thus for them Israel should leave the door open.

Another key advantage for many in Israel of the EEA formula over the more daring one of membership is that it does not imply solving first the Israeli-Arab conflict in all its aspects, nor procuring full equality to Arab Israeli citizens (or the suppression of the Law of Return for the matter), all quite controversial measures..

On the other hand one of the main disadvantages is the non inclusion in the EEA of free trade in agricultural products in view of Israel's comparative advantage in the production of citrus fruit and other fruit and vegetables, as well as processed agricultural goods. However this must be qualified. First, agriculture represents nowadays a minute part of Israel's GDP. Second, some agricultural sub sectors (such

⁵ Obviously for Israel, EU membership would become relatively-speaking more attractive, should the EU and the US conclude in the future their own FTA.

as dairy products and cereals) are heavily protected and would oppose for this very reason EU and CAP membership, which would not be the case in respect of EEA membership. Moreover adoption of the *acquis* in phytosanitary and veterinary legislation should not present a big political or technical problem in view of the advanced nature of the agricultural sector in Israel.

Another hidden disadvantage of this policy option is the future of the EEA itself. Betting on EEA membership at a time it risks to be marginalized might be risky, in particular if some of its present members opt out either to revert to a "Swiss-type" of association or, on the contrary, to accede as a full member to the EU.

Option 3: A complete revision of EU-Israel relations

This option is based on the following line of reasoning: The EC has been since its creation the first trading partner of Israel. This economic relationship only deepened with the successive Enlargements of 1973, 1981 and 1986 and the conclusion of increasingly complex trade agreements (1970 and 1975). But if until the end of the 1980s, Israel could set itself as a strategic aim to deepen its economic integration with an emerging trading block, this is not enough since 1989. The strategic changes which have been taking place since then both in Europe and in the Middle East call not only for the economic but also the political integration of Israel in the European Union, i.e. membership.

Economically the EC has evolved since the early 1990s into a real Single Market for goods, services, labour and capital and then on into a Monetary Union since 1999. This quantum-change in the level of economic integration is bound to discriminate whether intentionally or non-intentionally to whoever stays out of the area of integration. But this is particularly grave for countries in the EU's outside periphery and with strong economic links with it, such as Israel. Although free trade area relations between Israel and the EU have taken care of tariff discrimination (but not in agriculture), this is not the case for non-tariff barriers, much more significant nowadays than tariffs. On top of it, because of the above-mentioned "hub-and-spoke effect", all other things equal, FDI tends to concentrate in the EU, not in Israel. This problem cannot be overcome even if Israel signs FTAs (as it has been doing for a while) with any peripheral non-member country with which the EU has also a preferential deal (such as CEECs or EFTA countries), because of the issue of origin rules.

Economically as well, Israel has become a post-industrial country based on the development of high tech and services, very much alike advanced EU countries. Demographically, large-scale immigration from the ex-Soviet Union has transformed Israel into a European-type society, much less identified with Middle Eastern societies than only a decade ago.

All this could be taken care off, more or less, by integrating Israel in the EEA (as per policy option 2 above).

However it is in the political realm, where there have been changes in the last decade equivalent to real earthquakes:

1. The Cold War is over , the Soviet Union has collapsed and Germany has been peacefully reunified.
2. Most of the neutral European countries, after some hesitations, have decided to join the EC, since 1992 known as the EU. EFTA has been rolled back and has no much future. Neither does the EEA (see option 2).
3. All countries of Eastern Europe, three Baltic and three Mediterranean countries (Turkey, Cyprus and Malta) are candidates for membership in the EU , with some of them expected to join as soon as 2004. While all dream of “returning to Europe”, many of them are fiercely nationalistic, not less than Israel.
4. Israel will have a common border with the EU with the entry of Cyprus and the EU’s center of gravity will move South and East, coming closer to Israel, increasing both its dependence on the EU’s as well as the latter’s relevance.
5. The Middle East Peace Process (MEPP) starting after the Gulf War and betting on the emergence of a New Middle East has collapsed. The Oslo Process based on developing mutual trust and on integration and not separation appears to have ignored deep-seated animosities and cultural disparities. The Palestinians are interested in independence, not in integration. Israel was interested in integration only to keep control over the territories a little longer. Even assuming that peace between the Israeli and Palestinian people is achieved, the idea of a New Middle East is not welcomed by Egypt, which fears rightly or wrongly, that Israel would become in such a setting the leading economy. Moreover, scientific and other empirical evidence shows that an economically-integrated Middle East cannot replace economic ties of Israel, Turkey or Cyprus with the EU. For Israel it is better to be , as the Bible suggests, “tail of lion rather than head of fox”. The Southern Europeans understood this long ago.
6. The Euro-Mediterranean Partnership (EMP) launched in 1995 , at the height of the Oslo Process and the Algerian crisis, was conceived by the EU with the economic needs of Arab countries in North Africa in mind and on the assumption of a New Middle East emerging with the help of Europe. Initially , in 1992, Spain and France were actually suggesting a Euro-Maghreb Partnership, not an EMP. Not surprisingly, neither Turkey nor Cyprus saw in the Partnership an alternative to membership. The latter is the real thing , the former a side-show. Many Israeli experts, including this author, think that this applies to Israel as well.
7. This author thinks as well that the Partnership is badly conceived (see above) and that sooner or later it will derail , be suspended or transformed into something coming close to the failed Euro-Arab Dialogue of the 1970s (which included Gulf countries).
8. The EU Enlargement to the East favours Israel (as explained in policy option 2 above). The new EU members will be among those favouring closer relations with Israel. They are also countries to which Israelis can relate easily. The EU will be much closer to Israel, not only geographically but , even more so, mentally.

9. The degree of involvement of the US in the Middle East is likely to diminish. High-ranking people in the US are suggesting withdrawing from Saudi Arabia and increasingly rely on oil originating in other parts of the world.

10.. Exclusive diplomatic and financial dependence on the US is not a healthy feature for Israel in the medium and long run. US vetoes on exports of Israeli firms to China of arms conceived entirely in Israel or on imports by El Al of Airbus to the detriment of Boeing airplanes are an illustration of unwelcome intervention exerted directly by the State Department in recent years .

On the basis of what was just said, the solution seems to be to apply for Israeli membership in the EU. Let the latter state if this is at all conceivable and let it state under what conditions. In any case the EU and Israel share the same political values. In fact European values precede the creation of the EC and they have been feeding on many Jewish values, so the argument goes. Mr. Marco Panella, of the Italian Radical Party, has put it in graphic terms: Israel's incorporation in the EU could infect with democratic values all the Middle East. The EU and Israel share also the same culture and face the same challenges. The geographic argument , whereby Israel is not in the European continent, seems shallow in such a perspective. It shall not stand in the way because other countries which do not belong to the European continent (such as Cyprus) are being considered for membership. And the EU will have to deal in the future with other border cases, geographically-speaking (e.g. Armenia, Georgia). Adjusting to the economic and political *acquis* should certainly not be more difficult for an economically-advanced democratic country such as Israel than for Turkey or Poland, not to speak of Bulgaria. Israel almost fulfills all the Copenhagen criteria and is a functioning market economy. All experts concur that Israel could have been an OECD member for years had it not been for political reasons. According to some unofficial sources, Israel is close to obtain membership in the OECD. Israel would be a net donor in budgetary terms in a EU including the current 13 candidates. Israel's GDP per capita is larger than the one of any of the latter⁶. In a EU of 27 or 28 member states, Israel would represent the median level of income. Israel's GDP is larger than the one of 11 of the 13 candidate countries. Contrasting with their case, integrating Israel in the EU would not require from the latter pre-accession aid. Given their relative factor endowments, both the EU and Israel would undoubtedly benefit from Israel's incorporation in the EU's system of intra-industry trade.

Politically, Israel's membership in the EU would address Israel's sense of solitude and isolation and also improve its security. Who would dare to attack an EU member country? Contrary to what some may think , the US would support membership, in the opinion of this author, as it has supported entry into the EU of other close allies such as Britain or Turkey. Membership would help to diminish Israel's strategic and financial dependence on the US, a point stressed in a recent conference by the former French Minister Dominique Strauss-Kahn. Israel is a "virtual" member of NATO. Entry into the EU could be coupled with entry into NATO, something of interest to the US, the EU and Israel alike. More generally one can argue easily that the perspective of EU membership would give Israel enough security to offer generous

⁶ Israel's GDP and GDP per capita rose respectively by 65 percent and 35 percent between 1991 and 2000. Israel's GDP is larger than the one of Ireland and twice the one of Hungary or the Czech Republic.

territorial and political concessions to the Palestinians. In fact an offer of membership by the EU to Israel would change for many the terms of reference.

For those worried about the future of Israel's democracy, EU membership is seen as an antidote. For those who fear encroachment of religious issues in Israel politics, Israel's membership would be a big *deus ex machina*, since the country would have to operate some legal reforms before accession to guarantee some separation of state and religion.

For others (like Raymond Cohen from the Hebrew University), the main advantage of this option is that it brings a "new vision" for Israel, once peace with its neighbours is in the offing. Only a 'vision' can galvanize reform efforts and a change for the better in the way Israeli Jews perceive "the other", including Israeli Arabs (an application of Monnet and Schuman ideas to Israel). And a "return to Europe" could be an uplifting project, culturally-elevating.

Whereas the disadvantages of EU membership over EEA membership have been mentioned above in option 2, to the political advantages just mentioned one must mention others as follows :

- 1) Participation in all EU decision-making institutions.
- 2) Participation in the CAP.
- 3) Participation in all European Community Programmes (e.g. in the domain of education, culture, environment, public health, statistics)
- 4) Participation in all European agencies (e.g. in the domain of food safety, standardization, and so on)
- 5) Participation in the EU's competition policies and prevention of the possibility of the EU applying anti-dumping duties on Israeli exports

One of the unknowns is what the Arab world would say about Israel's integration in the EU. *A priori* one would be tempted to say that the reaction would be negative and even nightmarish for some ("again a European re-occupation of the Middle East"), but this is not a foregone conclusion according to different persons consulted. For instance those countries that have come to terms with the existence of Israel and at the same time admit that it should not be part of the Arab world or the Middle East even in economic terms (e.g. because development levels are way too different as well as labour and environmental standards) should see as an advantage that Israel be tied to the European block and have to conform to some restraining supra-national rules. Not only that. Some may see in such a step a relaxation of the overwhelming ties that bind Israel to the US, something perceived as an advantage from an Arab viewpoint.

This third radical option has been considered seriously by a number of intellectual and political figures in Europe and in Israel since the end of 2001, following an initiative of the Radical Party from Italy. The latter was able to mobilize over 40 MEPs that signed a Declaration in favour of the full participation of Israel in the EU. Members of this group organized later on a Conference at the EP in Brussels on 4-6 March 2002 on "Israel in the European Union." Personalities both from the EU and Israel were invited to the event: MEPs, Members of the Knesset, European and Israeli academics, journalists, artists and other members of the civil society, including the author of the paper. The conference was addressed by Mrs. Emma Bonino, MEP, formerly

Commissioner at the European Commission who is among the initiators of the above-mentioned Declaration. Four members of the present Knesset participated in the meeting and supported the new initiative (Avital, Paritzky, Sandberg, Bronfman) as well as MEPs Ries, Panella, Dupuis, De Clercq, Cappato and Zimeray. Elie Wiesel, the Nobel Prize in Literature and the Israeli writer Amos Oz supported the Conference. The Israeli philosopher Yirmiyahu Yovel, a world-renown expert on Spinoza, wrote an article supporting the idea in Haaretz.

The probable line-up of the different political groups represented in the Knesset regarding Israel's EU membership would be as follows:

The Labour Party, Meretz, the Center parties (including Shinui) would be favorable, the dominating argument being that membership would help Israel in becoming a truly secular modern state.

All Jewish Religious Parties would be against for opposite reasons.

The interesting cases are the parties created by Russia-originating migrants, the Arab Israeli parties and the Likud.

From information collated from MK Bronfman (who appeals currently to only about 20% of the Russia-originating electorate) it appears that on this issue more than 80% of voters would favour Israel's membership in the EU mainly for cultural reasons. The case is interesting because on the one hand Russia-originating migrants have in general right-wing opinions on foreign policy issues but on the other hand for them only deepening economic links with the EU (e.g. option 2, namely EEA membership) would not be enough. This part of the electorate feels European and wants to "return to Europe", rather than to "Zion".

Arab Israelis would be split down the middle between those striving to acquire full citizen rights and dreaming of a secularized Israel (and including all Christian Arabs) and those voting for Islamic Parties. The first group would be strongly for EU membership seeing it as a way to transform Israel from a Jewish State to a State for all its citizens. The second group would be strongly against, since the EU is perceived as a Western, Christian club.

The Likud would be split also down the middle in two groups. One group containing secular extreme nationalistic voters would be against, unless EU and NATO membership comes in one package. The other group containing moderate Likud leaders (such as MKs Shetreet, Eitan or Livni) would see EU membership as an historical opportunity to anchor Israel among the Western democracies. It is not clear for this author how a key person like former Prime Minister Netanyahu would think in this respect. The latter has said at different instances that Israel must be economically and politically integrated in the West. Prime Minister Sharon would in all likelihood be instinctively against.

Given what is indicated above and as for many other ideological and political issues in Israel, a decision for or against application for membership would depend on what the Likud or his strong leader (e.g. Netanyahu) would stand for.

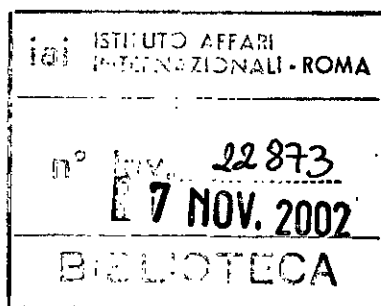
Contrary to what others may believe, this author does not think that the fear of anti-Semitism in Europe would play a significant negative role in any decision. For once young and middle-age people including students, professionals or simply tourists know what the reality looks like in Europe. Holocaust survivors who are traditionally very dismissive about links with Europe have year after year for obvious reasons less of a weight in the Israeli electorate. A key issue in this respect as well as in others mentioned in this paper would be the positions adopted by American Jews.

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A COOPERATIVE STRUCTURE FOR ISRAEL-PALESTINE RELATIONS

THE CONTOURS OF A POST-CONFLICT PEACE ORDER

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1 PREFACE

In the present paper, a sketch shall be offered of a possible resolution of the Israel-Palestine conflict with a special view to how the European Union might help bring this about and with some consideration given to the larger framework of a lasting peace between Israel and its Arab neighbours.

2 BRIEF HISTORICAL BACKGROUND

The conflict between Jews and Palestinians is one of those “intractable conflicts” which have long troubled students of conflict resolution.¹ It goes back centuries, or even millennia, ever since biblical times.²

2.1 The Conflict

After the end of Ottoman rule in the aftermath of WWI the UK assumed control of Palestine on a mandate from the League of Nations. With the Balfour Declaration the Brits committed themselves to create in Palestine “a national home for the Jewish people” by allowing for an immigration from the Jewish diaspora. While this was, arguably, in conformity with the mandate, its article six which obliged the UK to “facilitate Jewish immigration” also stipulated that this should not be allowed to prejudice “the rights and position of other sections of the population”. The immigration did, however, produce an intense struggle between the Jewish immigrants and the indigenous Palestinian population.³

After the end of WWII, and in recognition of the unspeakable horrors of the Holocaust, the victors were, likewise, committed to providing the Jews with a homeland in Palestine, leading to the decision by the United Nations General Assembly (29 November 1947) to establish the State of Israel. The original partition plan stipulated the establishment of two states on the territory of Palestine, with Jerusalem (Arab: *Al-Quds*) constituting a *corpus separatum*, belonging to neither side.⁴ The implementation of this plan was, however, pre-empted by the unilateral proclamation of the State of Israel by the Jewish Agency on the very same day the UK relinquished its mandate (14 May 1948). This was followed by an attack on Israel the following day by the neighbouring Arab states.

Having been defeated in the ensuing war Jordan and Egypt, respectively, incorporated parts of what should have been a Palestinian state, leaving the Palestinians stateless and creating a large Palestinian diaspora. Most of the refugees were scattered among various Arab states (see Table 1) and their total number was estimated at 3.8 million in 2001.⁵

Not only has the Palestinian diaspora since then grown through child births (making today's refugee population quite young, see Table 1). Additional refugees have also been created after the June War of 1967, when Israel occupied both the West Bank and East Jerusalem (conquered from Jordan) and the Gaza Strip, conquered from Egypt. To this mass of refugees has subsequently been added a large number of refugees and internally displaced persons as a consequence of the Israeli settlement drive on the occupied territories.⁶ Even though the refugees' right of return has been underlined by the UN ever since December 1948,⁷ the actual prospects thereof seem increasingly dim.

Table 1: Palestinian Refugees

UNRWA List	Total	In camps	Age Distribution (2000)		Geographical Distribution (2000)		
			< 6	481,873		Total	In Camps
1953	870,158	300,785	6-15	881,945	Jordan	1,570,192	280,191
1955	912,425	351,532	16-25	708,856	West Bank	583,009	157,676
1960	1,136,487	409,223	26-35	572,536	Gaza	824,622	451,186
1965	1,300,117	508,042	36-45	377,224	Lebanon	376,472	210,715
1970	1,445,022	500,985	46-55	263,620	Syria	383,199	111,712
1975	1,652,436	551,643	> 55	451,440	Total (UNRWA)	3,737,494	1,211,480
1980	1,863,162	613,149	Total	3,737,494	UNHCR List (2001) ⁹		
1985	2,119,862	805,482	Grand Total (2001) 3.8 million		Iraq	90,000	
1990	2,466,516	697,709			Libya	8,584	
1995	3,246,044	1,007,375			Saudi Arabia	240,000	
2000	3,737,494	1,211,480					

The Palestinian question has remained “on the agenda”, both in the United Nations and in the rhetoric of the Arab states,¹⁰ yet without any clear recognition of the nationhood of the Palestinians (*vide infra*) or their right to a national state. In desperation, the PLO in 1988 proclaimed a “State of Palestine”, but it was only accorded diplomatic recognition by rather insignificant states—even though Jordan had by then renounced all territorial claims on the West Bank and East Jerusalem.

The Palestinians have employed a wide panoply of means in their struggle for redemption, ranging from political and diplomatic activities to terrorism, the latter mainly directed against Israeli targets, both at home and abroad, and initially mainly featuring air hijackings and the like.¹¹ They have further resorted to more regular guerrilla warfare and “almost regular” warfare waged by the *Hizbullah* from the Palestinian-controlled parts of Lebanon.¹² In 1987, the Palestinian struggle erupted in the first *Intifada*, which featured mainly unarmed resistance,¹³ whereas the second *Intifada* has been much more violent, including suicide attacks against Israeli civilians (*vide infra*).

2.2 The Peace Process

A peace process was finally launched in 1992 by PLO leader Yasir Arafat and Israeli Labour leaders Yitzhak Rabin and Shimon Peres, initially operating via the “Oslo channel”.¹⁴ It produced some fairly significant results in the first couple of years.¹⁵

The initial stages of the Israel-Palestine peace process were accompanied by an unmistakable thawing of relations between Israel and the Arab states. A peace treaty was thus signed by Israel with Jordan in 1994 to supplement that signed with Egypt in 1979, and negotiations were started with the rest of the Arab community of states on a number of issues in a complex set of interlocking bilateral and multilateral talks.¹⁶

As far as relations between Israel and the Palestinians were concerned,¹⁷ the Declaration of Principles (DOP), signed the 13th of September 1993, clearly stipulated the following objectives:

The aim of the Israeli-Palestinian negotiations within the current Middle East peace process is, among other things, to establish a Palestinian Interim Self-Government Authority, the elected Council (the “Council”), for the Palestinian people in the West Bank and the Gaza Strip, for a transitional period not exceeding five years, leading to a permanent settlement based on Security Council resolutions 242 (1967) and 338 (1973).¹⁸

The UN Security Council resolution 242 referred to was, in its turn, somewhat more equivocal than usually acknowledged by either side, allowing both to see it as at least a partial vindication of their respective points of view. On the one hand, it called for “Withdrawal of Israel armed forces from territories occupied in the recent conflict”, yet without specifying whether this referred to all or merely some of the occupied territories (*viz.* the missing preposition). On the other hand, it also called for “respect for and acknowledgment of the sovereignty, territorial integrity and political independence of every State in the area” and for “a just settlement of the refugee problem”, without offering any explicit formula for “justice” in this respect.

One of the most significant implications of the DOP was that the two sides mutually recognised each other as legitimate interlocutors, as manifested by the symbolic handshake on the White House lawn. The DOP was, furthermore, followed by a gradual, but slow and frequently interrupted, transfer of powers from Israel to the new Palestine National Authority (PNA, also known as Palestinian Authority, PA). As an appetiser for a more grandiose “Land for Peace” bargain, a gradual and partial Israeli relinquishment of the (illegally) occupied territory was initiated with the Cairo Agreement (4 May 1994) which subdivided the territories into zones: “A zones” where the PA was in control, and B and C zones where control was shared.¹⁹

As a corollary of the process, a debate began in Israel about the wisdom and ethics of the continuing—and equally illegal²⁰—settlement drive on the West Bank and East Jerusalem. While a continuation of settlements remained government policy,²¹ a growing number of Israelis at least began questioning it.²² Moreover, many Israelis gradually began to come to terms with the notion of Palestinian statehood at some point in the future.²³

The final achievement of the DOP was a time-table for further steps, leading up to the so-called “permanent status negotiations”, on which the DOP clearly stipulated that

Permanent status negotiations will commence as soon as possible, but not later than the beginning of the third year of the interim period, between the Government of Israel and the Palestinian people's representatives. It is understood that these negotiations shall cover remaining issues, including: Jerusalem, refugees, settlements, security arrangements, borders, relations and cooperation with other neighbours, and other issues of common interest.

With the election of Benjamin Netanyahu in 1996, however, the process was stalled and subsequently obstructed by Israel, to some extent even rolled back. The 1998 Wye Agreement, brought about with the help of the United States, was thus merely a compromise to ensure the implementation, in a truncated form, of what had already been agreed. The agreed-upon transfer of thirteen percent of the West Bank to the PA was thus a far cry from what had been envisioned in Oslo, Washington and Cairo.²⁴

However, even the implementation of the Wye accords was subsequently suspended until after the Israeli elections in July 1999 which brought the Labour Party to power with Ehud Barak as Prime Minister. Despite some apparently sincere efforts by Barak at getting the peace process back on track, e.g. with some major concessions to the goal of Palestinian statehood, it was probably "too little, too late" to satisfy Palestinian demands. In the last rounds of negotiations at Sharm-el-Shaik (September 1999), in Washington and Ramallah (March-May 2000), at Camp David (July 2000), again in Washington (December 2000), and finally at Taba (January 2001) Israel reportedly offered the PA 66 percent (perhaps even up to ninety percent) of the West Bank territory, but this offer was turned down by the Palestinians—apparently mainly because of insufficient Israeli concessions with regard Jerusalem.²⁵

2.3 The Al Aqsa Intifada

A second *intifada* erupted when on the 28th of September 2000 Netanyahu's successor at leader of the *Likud* party, Ariel Sharon, went for "a stroll" on the Temple Mount (*Haram al-Sharif*). He thereby (probably intentionally) provoked Palestinian riots,²⁶ which effectively buried the last hopes for the peace process, in turn paving the way for his own election as prime minister of Israel in February 2001. As a consequence what began as sporadic riots developed into the *al-Aqsa Intifada*,²⁷ exhibiting the following features:

- Widespread and almost systematic Palestinian terrorism, now mostly in the form of suicide bombs detonated in the midst of the civilian Israeli population, and assassinations of Israeli politicians such as the Minister of Information.
- A paradoxical combination of an increased legitimacy to the PA leadership, especially President Arafat (mainly in a role as "martyrs"), with an erosion of its actual authority and control, much of which has devolved to groups such as *Hamas* and Islamic Jihad.²⁸

As was to be expected, the Israelis responded with the utmost severity, e.g. by the following measures:

- Reprisals, not only in the form of raids against presumed terrorist strongholds, but also of direct attacks against the PA institutions and facilities under the headings of "Operation Defensive Shield" followed by "Operation Determined Path".
- Air attacks against presumed terrorist homes, most dramatically with the F-16 attack against Salah Shehadeh, the leader of the Hamas military wing *Izz a-Din el-Kassam* on 22 July 2002, which also killed 16 civilians, including 11 children.²⁹
- A policy of a closure of Israel's borders with Palestinian territories as well as of a blocking of communications between Gaza and the West Bank and within the two territories.
- First steps towards a unilateral partition in the shape of a fence along (parts of) the "green line".³⁰
- A policy of reoccupation of towns and lands, not only in zones categorised B and C in the Cairo and subsequent agreements, but also in A zones, defined as falling under exclusive Palestinian control—in some cases accompanied by the use of severe military force, e.g. in the Jenin camp.³¹
- Plans for deportation to the Gaza Strip of family members of suspected terrorists and demolition of their houses.³²

Most of these measures have been met with more or less open protest from other states, in some cases even including the United States, yet without any significant effect.

3 THE IMPASSE OF INCREMENTALISM

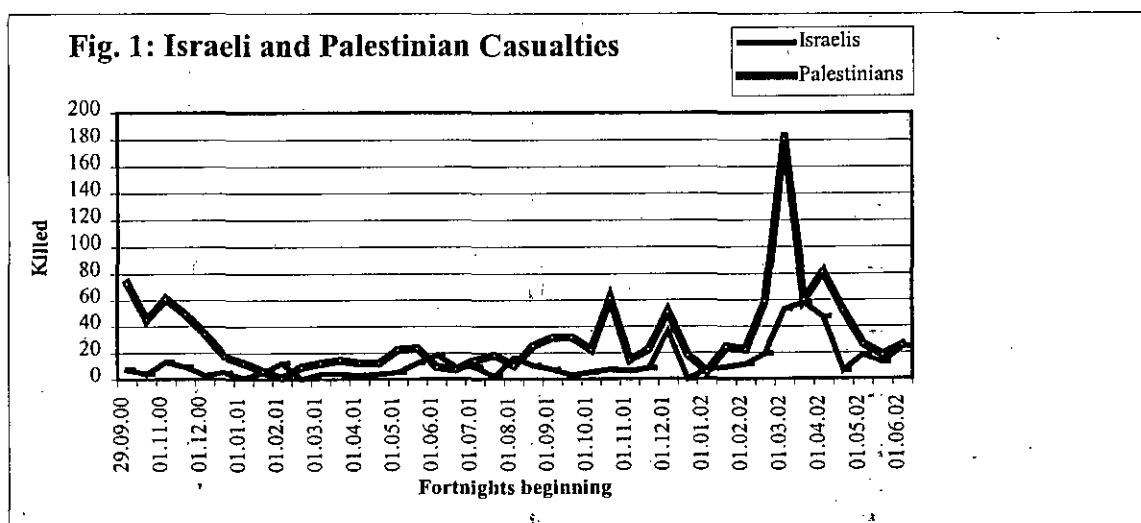
Even though an incrementalist approach to the conflict might appear most “realistic”, simply because it is most moderate, several factors speak against it at the present juncture.³³

3.1 The Logic of War

At the time of writing (July 2002) the parties seemed trapped in the “logic of war” with an in-built escalatory momentum. Underlying this chain of events there are, of course, more structural factors—including the “structural violence” to which the Palestinians are subjected on a daily basis.³⁴ Once set in motion, however, the violent cycle takes on a life of its own.³⁵

- Some Palestinians respond to Israeli occupation and oppression with terrorist attacks (or what is referred to as such), including suicide bombings—by Israel labelled “homicide bombings”.
- This triggers a semi-automatic Israeli response in form of a closure of (part of) the territories and/or a re-occupation followed by a hunt for the (alleged or real) terrorists, which inevitably causes “collateral damage” in the form of civilian casualties, destroyed property and, perhaps even more importantly, a weakening of the Palestinian authorities.
- The Palestinians feel victimised and excluded and some of them respond with further violence—with or without the knowledge and consent of the PA, but apparently with a significant backing in the population.
- This, in turn, reinforces the Israeli enemy image of the Palestinians as inherently violent and of the PA (not least President Arafat) as impotent or malevolent (or both)—thereby “justifying” an escalation of oppression and a deliberate bypassing of the PA.
- This in turn, reinforces Palestinian enemy images of Israel in general, and the Sharon government in particular, as malevolent, thereby creating new would-be suicide terrorists, etc.

It is extremely difficult to break such a vicious circle, as any concession to the respective other could be interpreted as a sign of weakness. It may be even more difficult when neither side is a unitary actor, but both leaderships have oppositions to contend with. The several (both unilateral and negotiated cease-fires) that have all been broken clearly testify to this difficulty. Not even the United States has been able to persuade Israel to show moderation³⁶—even though it, for the first time ever, allowed the UN Security Council to pass a resolution charging Israel with the “excessive use of force against Palestinians”.³⁷



By the time of writing (4 July 2002) the number of Israeli fatalities since the 20th of September 2000

amounted to 563, according to Israeli government sources,³⁸ while the death toll among Palestinians was around three times that number, i.e. 1,639 deaths, according to the Palestinian Red Crescent Society.³⁹ Still, there was no end to the killings in sight. The (non-linear, but still clearly discernable) escalatory momentum is obvious from Fig. 1 and Table 2, showing the fortnightly casualty figures for the two sides.

Table 2: Israeli and Palestinian Casualties (by fortnight beginning)⁴⁰

Israelis			Palestinians			Total		
Israelis			Palestinians			Total		
29.09.00	7	73	80	01.09.01		31	38	
16.10.00	4	45	49	16.09.01		31	34	
01.11.00	13	61	74	01.10.01		22	27	
16.11.00	9	49	58	16.10.01		61	68	
01.12.00	3	34	37	01.11.01		14	20	
16.12.00	5	17	22	16.11.01		22	30	
01.01.01	1	12	13	01.12.01	3	51	87	
16.01.01	5	6	11	16.12.01		18	18	
01.02.01	12	1	13	01.01.02		5	12	
16.02.01	0	9	9	16.01.02		24	33	
01.03.01	4	12	16	01.02.02	1	22	33	
16.03.01	4	14	18	16.01.02	1	59	78	
01.04.01	3	12	15	01.03.02	5	181	234	
16.04.01	4	12	16	16.03.02	5	60	118	
01.05.01	5	22	27	01.04.02	4	81	128	
16.05.01	12	23	35	16.04.02		52	58	
01.06.01	18	9	27	01.05.02	1	26	44	
16.06.01	9	7	16	16.05.02	1	18	30	
01.07.01	9	14	23	01.06.02	2	25	49	
16.07.01	2	18	20					
01.08.01	16	10	26	Total	49	1,288	1,779	
16.08.01	10	25	35	Average/month	12.	31.4	43.4	

3.2 Rationality or Madness?

"Rational choice theory" seems able to provide an entirely satisfactory explanation of this mutual killing spree.⁴¹

For the sake of simplicity one might narrow down the options of each side to three, i.e. giving in (e.g. by de-escalating or yielding), continue fighting (e.g. in a "tit-for-tat" mode) and escalating, as depicted in Table 3 below. If we further assume that the side prevails who enjoys "escalation dominance", we get the following picture of the options facing each side.

Table 3: Israeli and Palestinian Strategic Moves

Israel			
Palestinians	Give In	Continue Fighting	Escalate
Give In	+1/+1 Compromise	-2/+2 Israeli Victory (Slow)	-2/+2 Israeli Victory (Swift)
Continue Fighting	+1,-1 Pal. Victory (Slow)	-1,-1 Stalemate	-2/+2 Israeli Victory (Swift)
Escalate	+2/-2 Pal. Victory (Slow)	+2/-2 Pal. Victory (Slow)	-2/-2 Escalation

- If the Palestinians give in, but the Israelis do not, they stand to lose—either slowly, if Israel just continues its war of attrition, or swiftly, if Israel escalates to a decisive strike against them. Only if they can be sure that the Israelis will reciprocate by, likewise, yielding will it thus make sense for the Palestinians to do so.

- Conversely, if the Israelis give in, but the Palestinians do not, they stand to lose—albeit in any case slowly as the Palestinians have no chance of launching a decisive strike against them. In any case the choice is all too easy. Only in the case of certainty that the Palestinians will also yield will it be strategically rational for the Israelis to do so.

The problem lies with the structure of the conflict (i.e. the “game”) itself rather than with the actors. Even though the likely outcome is the worst one for both sides, they are likely to arrive at it, not because of irrationality, but precisely because they are assumed to act rationally—i.e. cautiously and selfishly—which is surely not an unreasonable assumption. The pay-off structure is simply a recipe for continuing and escalating violent conflict.

In principle various outcomes of the conflict are possible as set out in Table 4. It is conceivable that either side could win a decisive victory over the other which would produce a situation significantly better than when the conflict (or the present round of it) began, in which case the “payoffs” would be +2 for the victor and –2 for the vanquished. However, this is unlikely, albeit perhaps to different degrees.

- It is conceivable that Israel might prevail in the present round by bringing the *al-Aqsa Intifada* to a halt, but it seems almost certain that it would then eventually flare up again. Hence a decisive (and, by implication, lasting) victory is unlikely.
- It is very unlikely that the Palestinians could defeat Israel decisively, say by achieving their previous goal of destroying the Jewish state, if only because of Israel’s military preponderance. Just like guerilla wars in the past, the hit-and-run tactics of the guerillas (or suicide bombers) may be able to stave off defeat, but it cannot bring about victory, which requires an offensive by conventional means.⁴²

Table 4: Possible Outcomes of the Israel-Palestine Conflict			
Israel			
Palestinians	Victory	Stalemate	Defeat
Victory	+1/+1 Perhaps conceivable	n.a.	-2/+2 Very unlikely
Stalemate	n.a.	0/0 or -1/-1 Very likely	n.a.
Defeat	+2/-2 Unlikely	n.a.	-2/-2 Likely

It is, alas, entirely conceivable that both sides may reap defeat (payoff –2) from the struggle, say if the aforementioned logic of violence or war takes over completely, thus making the lives of ordinary Israelis just as “solitary, poor, nasty, brutish, and short” as that of the Palestinian population is presently.⁴³

Even though the prospects of victory might make it tempting to try, neither side thus has any realistic chance of winning a decisive victory. The Palestinians stand no chance of becoming preponderant in the foreseeable future, for several reasons:

- They are presently dispersed in their diaspora (*vide supra*), hence weakened, and Israel is in a position to regulate their return to fill the ranks of the Palestinian resistance—and it is almost certain to become less and less forthcoming the more intense the struggle becomes.⁴⁴
- They lack access to most of those implements of power that statehood provides; and their statelike structures are likely to become increasingly dismantled and/or emasculated the more they join forces with the resistance rather than help containing it.
- Their prospects of international support are very limited, except for rhetoric, and likely to shrink further the more they resort to violent (and especially terrorist) means of struggle.

None of the above is likely to change in the short or medium term, and any major change presupposes Israeli acquiescence.

The Israelis might, at first glance, appear to stand a better chance. However, they are numerically inferior to the total Arab population in and around Israel and bound to become increasingly so because of higher Arab (including Palestinian) birth rates (*vide infra*). The danger of becoming a minority even in their own homeland looms large in the Israeli minds.⁴⁵

Another reason why Israeli unilateralism is not really an option is that it will inevitably find itself enwrapped in an asymmetrical struggle. While the Palestinian struggle consisted mainly of non-violent resistance during the first *Intifada*, the predominant mode of fighting in the second one has been terrorism.⁴⁶ Against both forms of struggle, however, Israel's military superiority is ineffective, and the use of the IDF (Israeli Defence Force) to combat insurgents is likely to have a damaging effect on morale. While the impact on morale may be somewhat lesser in the second than in the first *Intifada* because of the use of violent means by the Palestinians, the casualty toll in IDF ranks is, on the other hand, higher, which will tend to be equally detrimental to morale.⁴⁷

Another means of waging the struggle against another *Intifada* has been a closure of the "territories", as happened several times during the first Palestinian uprising and has happened repeatedly during the *al-Aqsa Intifada*. However, not only does this also negatively affect the Israeli economy, there are also absolutely no signs that the Palestinians can be "starved into submission"—even though malnutrition and related health problems are spreading rapidly among the Palestinians as a result of the closures and other Israeli security measures.⁴⁸ On the contrary, attempts at this simply tend to strengthen the extremists, including *Hamas*, thereby exacerbating rather than solving the problem.

3.3 From Stalemate to a "Moment of Ripeness"?

A stalemate thus seems the most likely outcome, where both sides can stave off defeat without actually winning. Stalemates, however, come in different versions, of which some are certainly tolerable, at least for one side, but perhaps even for both (payoffs ranging from 0 to -1 in all combinations). According to conflict theory for a stalemate to produce a sufficiently strong desire for peace and conflict resolution to make a difference, it has to be intolerable, i.e. a "hurting stalemate" representing "a flat, unpleasant terrain stretching into the future", as described by William Zartmann.⁴⁹

Unless broken, such a hurting stalemate will become almost indistinguishable from a looming mutual defeat. By implication, it may present a "moment of ripeness" for a resolution of the conflict, as it gives each side a strong incentive to look for alternatives. In some cases, some dramatic event may make a conflict that formerly seemed tolerable appear utterly intolerable, thereby almost instantaneously creating a ripe moment—as seems to have happened in Northern Ireland in 1998.⁵⁰ However, even though one might conceive of, say, one particularly destructive suicide bomb in Israel somehow generating an "enough is enough" sentiment, violence is usually a poor underpinning of peace efforts.

Should the ripe moment arrive and be exploited, it is at least conceivable that a solution could be found which would allow both sides to feel that they had won (values +1/+1), at least in the sense of being better off with a resolution of the conflict than with its continuance—which is indeed a precondition of a lasting peace. Even less than ideal solutions may appear in a favourable light because of the unattractive present and the horrendous prospects for the future.

4 PLANS FOR THE "FINAL STATUS"

There is thus an urgent need for "light at the end of the tunnel" in the form of at least a vision of the final peace, preferably a genuine plan.

Rather than seeking to bring about peace through incremental steps, truce agreements, etc. which are anyhow unlikely to be abided by, and which would in any cases be seen as "too little too late", it is now important to go straight to "the end-game, as has convincingly been argued by the International Crisis Group in a recent set of reports.⁵¹ Should agreement on the final status be reached, incremental steps may then be seen in a more favourable light, i.e. as "steps towards goal".

What may warrant some optimism, even in violent and troubled times such as these, about the prospects for agreement on the final status is the fact that the principled positions of both the two parties and other relevant players are actually much less far apart than they were until quite recently.

4.1 Israel's Position(s)

Whereas the Labour governments of Rabin and Barak became openly supportive of a two-state solution, neither the Likud-led governments of Netanyahu nor of Ariel Sharon have been favourably inclined to Palestinian statehood as a matter of principle. Nevertheless, even the Sharon coalition government seems to be ruling out fewer possibilities than the *Likud* would have done in the past. In his address to the Knesset on the 14th of May 2002 the Prime Minister declared as follows:

(...) Israel wants to enter into peace negotiations and will do so as soon as two basic terms for the establishment of a genuine peace process are met:

- The complete cessation of terror, violence and incitement.
- The Palestinian Authority must undergo basic structural reforms in all areas (...)

When these two basic terms are met, we will be able to enter into a settlement in stages, including a lengthy intermediate stage in which relations between us and the Palestinians will be determined. Afterwards, after we see how the Palestinians build their society and self-governing administration, after we are convinced that they desire a true peace—then we will be able to advance towards discussions on determining the character of the permanent settlement between us and them.⁵²

This “plan” was announced on the eve of a decision by the *Likud* central committee (13 May 2002) to the effect that “no Palestinian state will be established west of the Jordan River”—a decision which Sharon *expressis verbis* refused to accept as binding.⁵³

The Labour Party remains committed to a two-state solution of sorts, even though its hands are presently tied by their membership of the Sharon government. Prominent members of the Labour Party such as Foreign Minister (and Deputy Prime Minister) Peres have, moreover, embedded this commitment in more grandiose visions of an interdependent and collaborative regional system.⁵⁴ Other members of the Labour Party, such as Defence Minister Benjamin Ben-Eliezer, have come forward with almost fully-fledged peace plans, which foresee the establishment of a Palestinian state on “almost all” of the West Bank and Gaza, an equitable “land swap” and a *de facto* division of Jerusalem with the exception of the Old City, envisioned to fall under international sovereignty.⁵⁵

4.2 The Palestinian Position(s)

On the 3rd of February 2002, PA leader Yasir Arafat published in the *New York Times* a “Palestinian Vision of Peace”, in which he upheld the claim for “an independent and viable Palestinian state on the territories occupied by Israel in 1967”, the “sharing of all Jerusalem as one open city and as the capital of two states”, as well as “a fair and just solution to the plight of Palestinian refugees” that would “respect Israel’s demographic concerns”.⁵⁶

The PLO’s Negotiations Affairs Department provides the following summary of Palestinian Positions with regard to the final settlement.

Borders: (...) the international borders between the States of Palestine and Israel shall be the armistice cease-fire lines in effect on June 4, 1967. Both states shall be entitled to live in peace and security within these recognized borders. (...)

Statehood: By virtue of their right to self-determination, the Palestinian people possess sovereignty over the West Bank (including East Jerusalem) and the Gaza Strip and, accordingly, have the right to establish an independent State on that territory.

Jerusalem: (...) East Jerusalem is (...) part of the territory over which the Palestinian state shall exercise sovereignty upon its establishment. The State of Palestine shall declare Jerusalem as its capital.

Jerusalem should be an open city. Within Jerusalem, irrespective of the resolution of the question of sovereignty, there should be no physical partition that would prevent the free circulation of persons within it. As to sites of religious significance, most of which are located within the Old City in East Jerusalem, Palestine shall be committed to guaranteeing freedom of worship and access there. Palestine will take all possible measures to protect such sites and preserve their dignity.

Settlements: Settlements are illegal and must be dismantled. (...)

Refugees: Every Palestinian refugee has the right to return to his or her home. Every Palestinian refugee also has the right to compensation for their losses arising from their dispossession and displacement. (...)

Relations with Neighbors: The State of Palestine as a sovereign state has the right independently to define and conduct its foreign relations. The PLO will nevertheless seek to promote cooperation among Israel, Palestine, and neighboring States in fields of common interest. (...)⁵⁷

On the 12th of June 2002, a “non-paper” was delivered by the PA to U.S. Secretary of State Powell which included a number of new concessions, such as a Palestinian willingness to undertake “minor, reciprocal and equal boundary rectifications” and grant Israel sovereignty over those parts of East Jerusalem which have special religious significance as well as a further accommodation of Israeli demographic concerns entailed by the stipulation that a solution to the refugee problem should be agreed to. The PA, finally, underlined its preparedness to end the conflict on this basis, thereby renouncing its right to come up with further demands at a later stage.⁵⁸

Both sides are thus significantly closer to each other than they were in the not so distant past.

4.3 The International Setting

The possible exploitation of a ripe moment may be facilitated or hampered by the international setting of the conflict.

As the world of today is different from what it was during the Cold War, this setting actually seems quite propitious. The Cold War logic of “our enemy’s friends are our enemies, his enemy’s enemies are our friends” no longer applies, but has been replaced by an unprecedented international consensus on most issues, including the Israel-Palestine conflict. One manifestation thereof is the “**Quartet**”, comprising the United States, the EU, Russia and the United Nations who are (at least ostensibly) collaborating with regard to the Israel-Palestine conflict on the basis of rather similar principled positions. All of them support an end to violence and a resumption of the peace process, the end goal of which should be a two-state solution of sorts. In their joint statement of 10 April 2002, the Quartet thus stated:

(...) We reaffirm our support for the objective (...) of two States, Israel and Palestine, living side-by-side within secure and recognized borders. (...) We affirm that the Tenet and Mitchell plans must be fully implemented, including an end to all settlement activity. We affirm that there must be immediate, parallel and accelerated movement towards near-term and tangible political progress, and that there must be a defined series of steps leading to permanent peace—involving recognition, normalization and security between the sides, an end to Israeli occupation, and an end to the conflict.⁵⁹

At their meeting on the 16th of July 2002, the Quartet paid some tribute to the “Bush Plan” (*vide infra*) while sticking to the same basic principles:

(...) [T]he UN, EU and Russia express their strong support for the goal of achieving a final Israeli-Palestinian settlement which, with intensive effort on security and reform by all, could be reached within three years from now. The UN, EU and Russia welcome President Bush’s commitment to active U.S. leadership toward that goal. The Quartet remains committed to implementing the vision of two states, Israel and an independent, viable and democratic Palestine, living side by side in peace and security (...)

In line with the “visions” of President Bush, the Quartet further underlined the need for security sector reform in the Palestine yet to be:⁶⁰

Implementation of an action plan, with appropriate benchmarks for progress on reform measures, should lead to the establishment of a democratic Palestinian state characterized by the rule of law, separation of powers, and a vibrant free market economy that can best serve the interests of its people. (...) The Quartet agreed on the critical need to build new and efficient Palestinian security capabilities on sound bases of unified command, and transparency and accountability with regard to resources and conduct.⁶¹

Having been the organisation to decide on the establishment of the State of Israel (i.e. on the partition of the former British mandate territory of Palestine) the **United Nations** has all along had a special role to play in the conflict. However, its central formal role has not been underpinned by the requisite support from its members—not least the permanent members of the Security Council, vested with a special responsibility—for it to play an actual role commensurate with its formal importance.

In the light of the *al-Aqsa Intifada*, the United Nations has expressed support for the two-state solution, e.g. in Security Council resolution 1397 (12 March 2002) referring to “a vision of a region where two States, Israel and Palestine, live side by side within secure and recognized borders”⁶²

Based on the “**Crownprince Abdullah Plan**”, the Council of the League of Arab States at the Summit Level, at its 14th Ordinary Session in Beirut (28 March 2002) passed a resolution stipulating the following.

... [The Council] calls upon Israel to affirm: ...

- Full Israeli withdrawal from all the territories occupied since 1967, including the Syrian Golan Heights to the lines of June 4, 1967, as well as the remaining occupied Lebanese territories in the south of Lebanon.
- Achievement of a just solution to the Palestinian Refugee problem to be agreed upon in accordance with UN General Assembly Resolution 194.
- The acceptance of the establishment of a Sovereign Independent Palestinian State on the Palestinian territories occupied since the 4th of June 1967 in the West Bank and Gaza strip, with East Jerusalem as its capital.

Consequently, the Arab Countries affirm the following:

- Consider the Arab-Israeli conflict ended, and enter into a peace agreement with Israel, and provide security for all the states of the region.
- Establish normal relations with Israel in the context of this comprehensive peace.⁶³

From the Arab League has emerged an informal “trio” comprising Egypt, Saudi Arabia and Jordan, each having a special role to play with regard to the peace process.

While the **United States** was fairly committed to the peace process during the Clinton administration (yet without achieving any results or committing itself to supporting any particular final status formula)⁶⁴, the coincidence of the *al-Aqsa Intifada* with the 11th of September events, the change of administration and its commitment to a war against Iraq left Washington in a difficult situation, which was almost tantamount to paralysis.

- Having declared a global “war on terrorism”⁶⁵ it has been controversial for the US administration to even talk to persons such as Arafat, accused by Israel and the American right wing of being a terrorist leader—and equally controversial to criticise the Sharon government for its campaign against Palestinian terrorism, cleverly framed by the former as a contribution to the US war.
- The determination to “go for Saddam” as part of the alleged “Axis of Evil”⁶⁶—even in the absence of any obvious *casus belli*—will make it very hard to forge the alliance with Arab states that would be a precondition for a successful war against terrorism.⁶⁷ The almost inevitable impression of being anti-Arab or even anti-Muslim will make it even harder for the US to play any role as “honest broker” in the Israeli-Arab or Israel-Palestine conflicts.

The *Mitchell Report* was published on the 30th of April 2001,⁶⁸ and still remains an important point of reference with its recommendations for a halt to further Israeli settlements and a “cooling off periode” (i.e. a truce) followed by a resumption of negotiations. However, it had next to nothing to say about what might be the outcome of such talks.

On the 24th of June 2002, the **Bush administration**, finally, announced its position on the Israel-Palestine conflict.

(...) My vision is two states, living side by side in peace and security. (...) Peace requires a new and different Palestinian leadership, so that a Palestinian state can be born. I call on the Palestinian people to elect new leaders, leaders not compromised by terror. (...) And when the Palestinian people have new leaders, new institutions and new security arrangements with their neighbors, the United States of America will support the creation of a Palestinian state whose borders and certain aspects of its sovereignty will be provisional until resolved as part of a final settlement in the Middle East. (...) The final borders, the capital and other aspects of this state's sovereignty will be negotiated between the parties, as part of a final settlement. (...) I challenge Israel to take concrete steps to support the emergence of a viable, credible Palestinian state. As we make progress towards security, Israel forces need to withdraw fully to positions they held prior to September 28, 2000. And consistent with the recommendations of the Mitchell Committee, Israeli settlement activity in the occupied territories must stop. (...) Ultimately, Israelis and Palestinians must address the core issues that divide them if there is to be a real peace, resolving all claims and ending the conflict between them. This means that the Israeli occupation that began in 1967 will be ended through a settlement negotiated between the parties, based on

U.N. Resolutions 242 and 338, with Israeli withdrawal to secure and recognize borders. We must also resolve questions concerning Jerusalem, the plight and future of Palestinian refugees, and a final peace between Israel and Lebanon, and Israel and a Syria that supports peace and fights terror. (...) ⁶⁹

This was a rather bizarre plan, in several respects. The very notion of a “provisional state” with equally provisional borders was an innovation, to put it mildly. And whereas most would share the hopes of President Bush for the outcome of forthcoming Palestinian elections, the more free and fair these will be, the greater their unpredictability. Finally, the “plan” left almost all issues concerning the final settlement open.

In its *Declaration on the Middle East*, passed by the meeting in Seville of the European Council on the 21st and 22nd of June 2002, the **European Union** made some, rather vague, statements:

The European Council supports the early convening of an international conference. That conference should address political and economic aspects as well as matters relating to security. It should confirm the parameters of the political solution and establish a realistic and well-defined timescale. (...)

A settlement can be achieved through negotiation, and only through negotiation. The objective is an end to the occupation and the early establishment of a democratic, viable, peaceful and sovereign State of Palestine, on the basis of the 1967 borders, if necessary with minor adjustments agreed by the parties. The end result should be two States living side by side within secure and recognised borders enjoying normal relations with their neighbours. In this context, a fair solution should be found to the complex issue of Jerusalem, and a just, viable and agreed solution to the problem of the Palestinian refugees.

The reform of the Palestinian Authority is essential. The European Council expects the PA to make good its commitment to security reform, early elections and political and administrative reform. The European Union reaffirms its willingness to continue to assist in these reforms.

Military operations in the Occupied Territories must cease. Restrictions on freedom of movement must be lifted. Walls will not bring peace. ⁷⁰

Even though these positions may seem quite far apart indeed, most of them have some elements in common. With the partial exception of Israel (or, more precisely, parts of the *Likud* Party) all agree that a Palestinian state should be established at some point in the future; and that an arrangement will have to be devised that allows the two states to co-exist with each other.

There thus seems to be some foundations on which to build. One might, for instance, think of an informal “2+4+3” setting (i.e. Israel, Palestine, the Quartet and the Trio) for both negotiations and subsequent monitoring of any agreement, as suggested by the ICG—and in partial analogy with the “2+4” setting of the German settlement in 1990. ⁷¹

5 TOWARDS CO-OPERATIVE SECURITY

How a final status settlement might come to look is the topic of the remainder of this paper. As a premise for this, however, an identification of the main dilemmas is indispensable.

5.1 The Security Dilemma

One might describe the foundations of the Israel-Palestine conflict as an instance of the well-known security dilemma which, according to neo-realist analysis, affects relations in any anarchic setting. When two actors have come to regard each other as potential enemies, both of them tend to take steps for their own protection which (however inadvertently) make them appear threatening to the other side, who responds in a similar fashion. A vicious circle often results which may manifest itself in arms racing, pre-emptive strikes, preventive wars—or in a growing oppression that provokes rebellious action which may well become violent and nasty (e.g. by including suicide bombings), “requiring” even more severe oppression, etc. Whereas “traditional” realist theory focused exclusively on states, ⁷² several modern neorealists have attempted to apply security dilemma theory also to non-state actors and mixed settings where states confront other actors. ⁷³

Ever since the birth of Israel in 1948 (or even before that) we have seen this security dilemma at work between the states in the region, manifesting itself the wars of 1948-49, 1956, 1967 and 1973, as well as in the state of “virtual war” which has prevailed for most of the interludes. ⁷⁴ Even though peace agreements have been signed between Israel and Egypt (1979) and Jordan (1994), at least the former remains a distinctly “cold peace” which has, at best, mitigated but far from eliminated the

security dilemma. Still, the main security dilemma facing Israel as of today is undoubtedly that of its relations with the Palestinians.

For most of the period, the Palestinians have been little more than “pawns” in this Arab-Israeli conflict, to the interests of whom the Arab states have paid lip-service, but little more. Occasionally, the Arab states have even turned against the Palestinians, as when Egypt took over the Gaza Strip and Jordan occupied the West Bank in 1948, or when the latter launched the military campaign against the PLO *fedayeen* in (what the PLO refer to as) the “Black September” of 1970.⁷⁵

Because of the animosity (to put it mildly) between Jews and Palestinians, one side is bound to feel insecure when the other dominates. The Palestinians are thus insecure under Israeli occupation as the Jews would be in a state dominated by Palestinians or other Arabs. The situation of an Israeli settlement on occupied territory is a microcosmic version of the security dilemma. It represents an Israel enclave in an environment which is perceived as distinctly hostile—uncomfortably similar to the situation of the Jewish ghettos in Europe and elsewhere in the past. Hence the need for an armed protection which is, in its turn, viewed as threatening by the Palestinians. When the latter resort to hostile acts against settlers or their armed guardians, this is usually viewed as an *ex post facto* validation of the need for the armed presence, or even used as an argument for strengthening it—whence may easily develop a vicious circle of escalating violence, as we have seen since September 2000.

The security dilemma may also manifest itself in terms of such intangibles as “national identity”, i.e. as a “societal security dilemma”.⁷⁶ One might even argue that the very *identities* of Israelis and Palestinians are mutually incompatible, hence may provide sufficient grounds for conflict, even in the absence of conflicting *interests*. First of all, some would argue that “identity” presupposes “otherness” and that this Other is (automatically, or at least usually) seen as a hostile, rather than merely different, Other.⁷⁷ Secondly, to the extent that nationhood is based on attachment to a particular piece of land,⁷⁸ Palestinian and Israeli/Jewish identities all too easily become mutually exclusive. The more politically (as opposed to religiously or culturally) Jewish the Israelis become, the less capable will they be of acknowledging another nation’s right to that land which is a constitutive element of (this form of) national identity. And the more the Palestinians see themselves as a nation in their own right (as opposed to one segment of the larger Arab nation), the more their identity will come to presuppose possession of Palestine, including the present Israel.⁷⁹

5.2 Stable Peace and Common Security

The security dilemma is not easily resolvable, hence the predominant assumption is that it is perennial, leaving the parties with no viable alternative to unilateral power politics which may even go so far as territorial partition followed by an “ethnic cleansing”.⁸⁰ Much preferable is surely an accommodation by each side of the respective other’s basic security and other needs, i.e. a policy of “common security” which may allow for a transcendence of the security dilemma.

A stable peace presupposes that all sides regard the resolution of the previous conflict as satisfactory.⁸¹ A necessary, albeit not sufficient, precondition thereof is that both Israeli and Palestinian security concerns are met, for which the notion of “common security” seems to be the appropriate guideline.⁸² This is not tantamount to unselfish behaviour, but is entirely compatible with a pursuit of national interests, if only these are not “defined in terms of power”, but rather of security, and if a medium or long-term perspective is adopted.⁸³

Even if we reject as illusory goals such as “absolute security”, we are still faced with a wide spectrum of goals and ambitions. According to constructivists a certain matter *is* not one of security, but the discourse may *make it so*, i.e. a topic may be “securitised” or “desecuritised”, as aptly put by Ole Wæver. If a problem is securitised it is generally held to warrant “extraordinary measures” by virtue of its urgency and “existential” nature. However, as nobody holds an uncontested monopoly on (de)securitisation, this will also be a matter of political controversy, where numerous vested interests can play a role.⁸⁴

It is further contested to whom (or what) “security” can refer, i.e. what the term’s appropriate “referent object” is. Traditionalists want to reserve the term for the State’s security which is often misleadingly labelled “national security”, and sometimes used as a cover for what is really “regime security”, i.e. a particular group’s political domination. Others are prepared to extend it to (some) human collectives such as ethnicities, nations or religious groups, even stateless ones. Still others insist

that the ultimate referent object is the individual, regardless of political, ethnic or national affiliations.⁸⁵ Finally, there is a controversy over what it means to be “secure”, i.e. the connotation, as the term obviously cannot mean the same when applied to a State, a stateless community and an individual. Only states can be sovereign and they alone have a territorial integrity to preserve, while only collectives have a collective identity that could conceivably be threatened, etc. Individual human beings, on the other hand, value both their survival and quality of life (See Table 5)

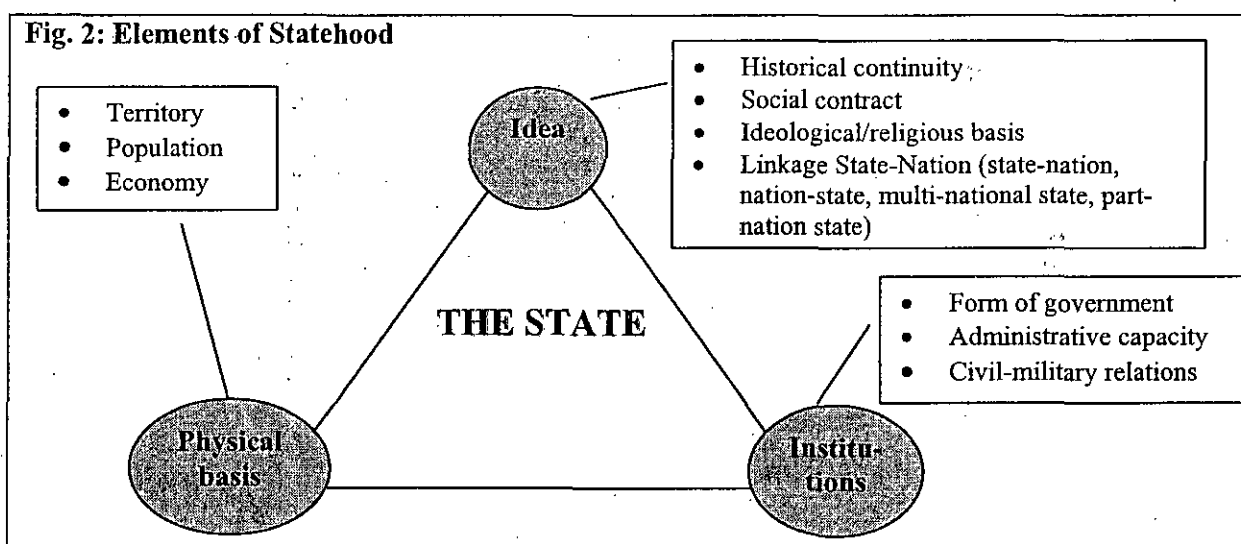
Table 5: Concepts of Security			
Label	Focus	Value at risk	Source(s) of threat
National Security	The State	Sovereignty Territorial integrity	Other states (Substate actors)
Societal security	Nations Societal groups	National unity Identity	(States), Nations, Migrants, Alien culture
Human security	Individuals Mankind	Survival Quality of life	The State, Globalization Nature

5.3 The Problem of Statehood

A lot of the Israeli-Palestinian conflict seems to revolve around the question of statehood, both about the existing Israeli state and the future one of Palestine. We therefore also need an analytical framework able to grasp the various problems related to statehood.

A useful conceptualisation of the “dimensions” of the State is that developed by Barry Buzan and slightly amended by Kalevi Holsti (see Fig. 2).⁸⁶ Both distinguish between the “idea”, the physical basis of the state and its institutions. Each of these can be further subdivided, thereby allowing for identifying elements of state strength and weakness and the various challenges facing the State—which may well be interlinked. For instance, if a state’s idea is that of being a nation-state, this idea is vulnerable to demographic developments; and if it is based on some kind of social contract (e.g. conceived as a welfare state, this idea may be jeopardised by a deterioration of the standard of human rights or by a crisis in the national economy that makes it impossible for the state to “deliver”.

In almost all respects, both Israel and “Palestine” appear to be much more complicated than the “typical” European state—which may be partly due to their recent vintage. While the European states has centuries to arrive at fairly harmonious states (and an accompanying state system), state-building in the Middle East in general, and the former mandate of Palestine has merely had around half a century.⁸⁷



In the following, I shall apply the above conceptualisations of security and statehood to a very tentative and sketchy analysis of Israeli and Palestinian security requirements in order to identify a meaningful set of minimum requirements. If these minima are compatible common security will, in principle, be achievable.⁸⁸

6 THE SECURITY REQUIREMENTS OF ISRAEL

Israeli security would have to encompass the absence of serious threat to both the State of Israel, the Jewish nation as such and the Israeli citizens.

6.1 State Security

As far as state security is concerned, both the idea, the physical basis and the institutions of Israel would need to be secure. Unfortunately, the three are not automatically compatible.

As far as the **territorial basis** is concerned, the sovereignty and territorial integrity of Israel within its internationally recognized borders has largely ceased to be a real problem, even though Israel has yet to acknowledge the fact. Thanks to Iraq's defeat in 1991, the collapse of the USSR (as the main supporter of Syria and Iraq) and the peace treaties with Egypt and Jordan, and the budding alliance with Turkey,⁸⁹ the military Arab-Israeli balance of power has tilted tremendously in Israel's favour. Even when measured against a hypothetical (and highly unlikely) "worst case alliance" comprising Syria, Jordan and an Iraq which had miraculously escaped UN sanctions Israel would be in a dramatically better situation than a decade ago—to say nothing about its nuclear weapons potential or the de facto alliance with the United States.⁹⁰ Even a Palestinian state on the West Bank and Gaza in possession of armed forces would be unable to upset this favourable balance of power. The former problem has simply been solved which has provided scope for "land for peace" deals as well as removed the need for the offensive military doctrines and strategies.⁹¹

The **idea** of the Israeli state is much more complicated, if only because there are competing notions of this idea. The original Zionist idea was to merely create a national homeland for the persecuted Jews (i.e. a kind of "safe haven"), as was the predominant view of most of the founding fathers of Israel and remains prevalent within the Labour Party. While this idea of Israel is easily reconcilable with that of a Palestinian nation-state, it has all along been contested (mainly by the *Likud*) by another idea which is not, i.e. the notion of *Eretz Israel*. Even though it is couched in spatial terms, this is not so much a territorial concept, as an integral part of a particular understanding of what it is to be an Israeli, namely to be a Jew and as such endowed with a God-given right to a Jewish state within borders defined by none other than God himself—and in actual fact including all of the occupied territories, Jordan and parts of Syria and Iraq.⁹²

For those in favour of the God-given Jewish State, non-Jews are automatically seen as "aliens" whose presence is only tolerated as a temporary solution. The fact that quite a large part of the settler population belongs to this creed, seeing their very presence in the occupied territories as the fulfillment of a divine duty, rules out not only a peaceful coexistence with the surrounding (Palestinian) society, but also renders inconceivable what would otherwise have been an obvious solution—a separation of the two nations with the Jews within Israeli borders and the Palestinians repatriated in a Palestinian state.

Table 6: Israeli Demographics ⁹³							
Live-Births by Religion of Mother				Immigration	De jure population (000)		
Year	Jewish	Moslem	Ratio	All	Jews	Non-Jews	Ratio
1955	42,339	6,034	7.0	37,528	1,591	199	8.0
1960	44,981	8,130	5.5	24,692	1,911	239	8.0
1965	51,311	11,515	4.5	31,115	2,299	299	7.7
1970	61,209	16,130	3.8	36,750	2,582	440	5.9
1975	73,248	18,652	3.9	20,028	2,959	534	5.5
1980	71,372	19,031	3.8	20,428	3,283	639	5.1
1985	75,267	19,766	3.8	10,642	3,517	749	4.7
1990	73,851	24,515	3.0	199,516	3,947	875	4.5
1995	80,401	30,226	2.7	77,361	4,550	1,070	4.3
2000	91,936	35,740	2.6	60,192	5,181	1,189	4.4

Even the very idea of a "Jewish state" may be problematic as it raises definitional questions about Jewishness as well as concrete demographic problems. The demographic problems stem from the fact

that Arab/Palestinian birth rates are simply higher than those of the Jews, as the latter beget, on average, 2.6 children per woman, but the former no less than 4.6,⁹⁴ hence that the Jewish share of births is steadily declining (see Table 6). As a consequence the Jewish segment of the population will, at some stage, find itself outnumbered by Arabs—unless, of course, it is able to win the demographic “race” against the Palestinians via Jewish immigration and/or ethnic cleansing in the form of an expulsion non-Jews from Israel. A hypothetical return of Palestinian refugees to Israel proper would almost immediately reduce the Jews to a minority in Israel (see Table 7).

Table 7 : Jews and Israelis		Jews	Non-Jews
Israelis		Israeli Jews	Arab Israelis
		<i>Askenazi</i> <i>Sephardim</i>	(Palestinian Repratriates to Israel)
Non-Israelis		Jewish Disapora	(Palestinian Repratriates to Palestine)
		<i>Askernazi</i> <i>Sephardim</i>	Everybody else

An expansion of Jewish immigration, however, may require a relaxation of the criteria of Jewishness, which are already quite permissive. The “Law of Return” from 1950 thus granted all Jews the right to come to Israel as “*olehs*” (Jewish immigrants). In 1970, it was amended to allow for the immigration with *oleh* status to children and grandchildren as well as their spouses, “Jew” being defined as anyone either born by a Jewish mother or converted to Judaism. These criteria have subsequently been further relaxed in order to accommodate immigrants from the former Soviet Union, only some of whom are “real Jews” and who are generally poorly integrated with the rest of the Jewish nation.⁹⁵ Apart from those, the most likely new immigrants will be oriental Jews (*sephardim*), which will exacerbate the combined social and ethnic cleavages in Israeli society and/or tip the balance against the *ashkenazim*.

6.2 Societal Security

This brings us directly to the question of **societal security**, i.e. the absence of threats to the identity and cohesion of the Jewish nation. This may already be a problem for Israel, as a large part of its immigrants are not Jewish; hence the risk of diluting the Jewishness of Israel as well as a threatening the identity of the Jewish nation.⁹⁶

Moreover, “Jewishness” may be defined in, at least, three different ways—in terms of religion, ethnicity or ancestry. Just as not all Israeli citizens are Jewish, not all Jews are religious Jews—and some of the very most orthodox religious Jews in Israel even refuse to acknowledge their citizenship on the grounds that the real Israel can only be created by the Messiah.

While the “founding fathers” of Israel in their quest for ensuring the secular nature of the Israeli state underlined Jewishness as an ethnic category, it is also controversial on what to base this ethnic identity as it is certainly not a reflection of any shared language (as is the case of most other self-proclaimed ethnic groups).⁹⁷ In fact Yiddish was closer to being “the Jewish language” than Hebrew, even though the latter is the historical language of the Jews as well as the official language of Israel. It is also debatable to which extent Jews really share a common culture to provide a basis for ethnic identity, as the differences between the *askhenazi* (from Europe) and *sephardim* (from the Middle East) are considerable.

The fact that Jewish identity is thus contested and fragile militates strongly, in at least some Israeli minds, against too close contact with the Palestinians as this might “dilute” their Jewishness. Combined with the aforementioned demographic trends it also makes the prospects of a binational state even less attractive that they might perhaps otherwise have been.

6.3 Human Security

To national and societal security considerations should be added those of individual security. From this category one threat looms particularly large in the Israeli minds (and in government policy), namely personal security against terrorist attacks. Israel is indeed one of the world’s most terrorist-ridden countries in the world. Even though the actual number of victims may not be particularly alarming compared to other causes of death—not even after the onset of the *Al-Aqsa intifada*—the psychological impact of suicide bombs detonated in the midst of the civilian population is immense, hence individual security is a problem no Israeli politician can disregard with impunity.

7 THE SECURITY REQUIREMENTS OF PALESTINE

The Palestinians are a nation to the same extent as the Israelis. As such they must be acknowledged as endowed with the same rights to state, societal and individual security.⁹⁸

7.1 State Security

A Palestinian state is problematic, both with regard to its idea, physical basis and institutions. At first glance, the idea of the Palestinian state as a nation-state for the Palestinian nation may seem simple. However, Palestinian nationhood is no more self-evident than that of the Jews, as several factors militate against it.⁹⁹ First of all, Palestine has never been a state as such, which might have given the Palestinian an "identity through continuity" as the rightful citizens (and rulers) of a state "under temporary Jewish occupation". Secondly, for a long time the pan-arabist notion of one Arab nation prevented the recognition by the Arab states of the Palestinians as a separate nation. What eventually paved the way for this recognition was the gradual decline of the pan-Arabic ideology (which does, however, continue to play a certain role as a "rhetorical frame" for Arab leaders) in favour of nation and state-building.¹⁰⁰ It surely also helped that the Hashemite rulers of Jordan came to realize that they were better off with a small Jordan which they could control than with a larger one (including the West Bank) with a large Palestinian population who would most likely take over if granted Jordanian citizenship.¹⁰¹

Statehood presupposes (*de jure*) sovereignty in the formal sense of recognition as the supreme authority within a demarcated territory. Such sovereignty may be relinquished, either completely or in a piecemeal fashion (as EU member states do to the EU), but it cannot be achieved incrementally by a simple cumulation of powers and prerogatives as with the gradual transfer of authority to the PA under the peace process.¹⁰² Either one is sovereign or not, and Palestine presently is not. While it is easy to envision the Palestinians making such a heroic leap it strains the imagination to envisage Israel recognizing it. In the absence of such recognition, most Western countries, above all the United States, would probably withhold their diplomatic recognition.

Certain constraints on the subsequent exercise of sovereign powers may, however, help make Palestinian sovereignty more palatable to Israel, hence more likely to be achieved. Relevant constraints might include a Palestinian commitment to neutrality along with certain qualitative as well as quantitative limitations of the new state's permitted armaments. For Palestine to commit herself to *armed* neutrality and to help prevent the use of the West Bank for an attack against Israel from Syria and its possible allies would make perfect sense. Not only would it help shield Israel, thereby "compensating" it for the loss of strategic depth entailed by a withdrawal from the West Bank. It would also provide the Palestinian state with a modicum of traditional state sovereignty. At the very least, it would surely be preferable to such an Israeli re-occupation of the West Bank in case of an impending war as has been planned for.¹⁰³

As far as the **physical basis** of the state is concerned, the question of "actual (i.e. *de facto*) sovereignty" becomes important, i.e. the question how to maintain real control over the sovereign domain. Even though it is preferable to possess a contiguous territory, it is not an absolute *sine qua non*, as the world knows several examples of states which are or include enclaves (West Berlin in East Germany during the Cold War, or Lesotho in South Africa today) and exclaves (Alaska, for instance). However, in view of the legacy of the recent intense hostility, it seems unlikely that a "patchwork state" would be satisfactory to the Palestinians, implying that means of linking the West Bank and Gaza have to be found. The claim for Jerusalem (i.e. *Al-Quds*) is of an altogether different nature. Even though it is formally a territorial claim, it has less to do with the physical basis of the State than with its idea because of its religious significance.¹⁰⁴

7.2 Societal Security

Palestinian **societal security** would seem to presuppose at least two minimum requirements: A right for the refugees to return from their diaspora; and equal religious, cultural, economic and social rights with the Israeli/Jewish population, unless the two nations are separated (*vide infra*).

The Palestinian nation is not much more uniform or internally cohesive than that of the Jews. First of all, a large part of it constitutes a diaspora, spread across the globe, albeit with the majority

residing in Arab countries. For a long time, the entire leadership of the PLO was part of this diaspora. The remaining population was divided between in citizens of Israel¹⁰⁵ and stateless inhabitants of the occupied territories—as the representative of whom *Hamas* rose to prominence, especially during the first *Intifada*. Both groups were further divided along both political and religious lines, i.e. between the a-religious and the Muslims, in their turn subdivided into Sunni and Shi'a as well as “secularized” and fundamentalist believers.¹⁰⁶

The modicum of “quasi-statehood” provided by the establishment of the PA may, in due course, provide the Palestinian nation with a new rallying point and identity as citizens of a state (as opposed to an ethnically or religiously defined identity), but the authority and actual performance of the PA (i.e. the **institutional basis** of this quasi-state) makes this, at best, a long-term perspective.¹⁰⁷

Even though it is legally indisputable,¹⁰⁸ the right of return of the Palestinian refugees poses genuine problems that cannot be ignored. First of all, a return of all diaspora Palestinians might well overtax the absorption capacity of Palestinian society. The Gaza strip is already one of the world's most densely populated areas, and the West Bank can only accommodate a limited number of immigrants—even if Jewish settlers are evicted. Secondly, a large influx of immigrants would put great strains on the natural resources of the land, not least its scarce water supplies.¹⁰⁹ Thirdly, one might question (and a large portion of the Israelis undoubtedly would) the ethics, if not the legality, of evicting young Jewish settlers to make room for returning Palestinians. In some cases, the former may have been born in the settlement, while the latter may never have set foot there. To thus create a “*moral fait accompli*” is, of course, part of the Israeli rationale for the settlements, hence a very strong argument for putting a stop to the settlement drive. Once the settlers have been there for more than a generation, however, they do have a moral case to make.

What might help would be a degree of reciprocity. It is adding insult to injury when the Israeli government denies the right of return for Palestinians while upholding the “right” of all Jews to immigrate to Israel, regardless of whether they have any real personal links to the country and even reside in countries where they are just as safe as everybody else. For Israel to abrogate this law would not merely relieve the demographic pressure, but might also have a significant psychological impact, by signalling that the two nations regard each other as equals. A link between Jewish and Palestinian immigration (including return) quotas would turn the present zero-sum into a collaborative “game”. The more Jews the Israeli authorities would want to attract, the more Palestinians would they have to allow, and vice versa. In view of the different living conditions of diaspora Jews and Palestinians, however, the proportions would have to be skewed in favour of Palestinians, say with a 1:3 ratio.

Mutual recognition such as implied by the above is also an indispensable element of societal security for the Palestinian nation and for its development of a sense of national identity that is not a “victim identity” (like that of the Jews after the Holocaust). However, it probably has to be accompanied by economic and social measures that will allow the Palestinians to be the actual equals of the Jews, which takes us to the realm of **human security**.

7.3 Human Security

The Palestinians are clearly victims of “structural violence” (*vide supra*), which arguably constitutes a threat to their human security. An abolition of the “apartheid system” that has developed for the occupied territories¹¹⁰ is thus indispensable, but there may also be a need for foreign assistance to accelerate the indispensable “levelling of the playing field”, entailing an evening out of living standards, levels of education, etc. between the two nations. By benefitting the Palestinians, this would tend to facilitate Palestinian state-building and further democratization—including the growth of civil society—thereby also help allay Israeli security concerns.¹¹¹

An amelioration of the structural violence to which the Palestinians are subjected could make them less prone to direct violence, which could in turn limit the “retaliatory” Israeli direct violence. The general reduction of violence could allow both sides to interact more freely, thereby dismantling enemy images and mitigating the “societal security dilemma”. Both a binational solution to the state problem and the establishment of a Palestinian state would come to be seen as less threatening to the Israeli population. If Israel would no longer fear “the enemy within” they could find that they have a wider margin for “concessions” such as a withdrawal from occupied territories, thereby paving the way for a comprehensive peace with the Arab world as a whole.

Just as Palestinian terrorism is a threat to the individual security of the Jews, the presence of

armed settlers and security forces in the midst of Palestinian society is a threat to the individual security of the Palestinians—to say nothing of the threat posed by terrorist extremists such as Baruch Goldstein, or the reprisals by Israeli security forces against Palestinian civilians. A minimum security requirement is a disarming of all non-state forces: Jewish settlers as well as Palestinian civilians and paramilitary militias. As all other “modern” and civilized societies, Palestinian society is better off with its state enjoying a “monopoly on the legitimate use of physical force” within its territory.¹¹²

The key to a solution to these human security problems may be in economic improvement which in turn presupposes a comprehensive Israeli-Arab peace, of which a settlement with the Palestinians would be an indispensable part. External actors can help, e.g. by providing economic assistance to the Palestinian authorities and population as a means of peace-building.¹¹³ According to an optimistic analysis this could set in motion a benign cycle as an alternative to the vicious one in which both sides are presently entrapped.

8 TOWARDS A SETTLEMENT

Even though Israeli and Palestinian security concerns remain far apart, the above analysis has, hopefully, shown that there is some scope for compromise. For both sides to the conflict, meaningful minimum security requirements which are mutually compatible can be identified.

8.1 Contours of an Israel-Palestine Peace

Translated into “permanent status negotiations” terminology, the issues and their possible resolution might be summarised as in Table 8.¹¹⁴

Table 8: Permanent Status for Israel and Palestine: Main Elements	
State-hood	<ol style="list-style-type: none"> 1. A sovereign Palestinian state is established on the West Bank and Gaza Strip with its capital in Jerusalem (<i>Al Quds</i>). It is recognised by Israel and the rest of the world. 2. The Palestinians and the Arab states recognise Israel.
Borders and territory	<ol style="list-style-type: none"> 3. The territory of Palestine comprises the West Bank, the Gaza Strip and East Jerusalem within the borders prior to the 1967 war. 4. Negotiations are undertaken about adjustments of these borders through equitable “land swaps”.¹¹⁵ 5. An internationalised corridor is established between the Gaza Strip and the West Bank.
Settlements	<ol style="list-style-type: none"> 6. Israeli settlements on territory returned to Palestine are vacated intact with all infrastructure and fixtures to become the property of Palestine. 7. Individual settlers who have resided on occupied territory for more than ten years have the right to stay and are provided with accommodation by the Palestinian state.
Jerusalem	<ol style="list-style-type: none"> 8. Sovereignty over Jerusalem resides neither with Israel nor Palestine, but with the UN. 9. Municipal authorities in charge of all practicalities such as infrastructure, taxation, etc., are elected democratically by all inhabitants of the city. 10. Both Israel and Palestine are allowed to proclaim Jerusalem their capital and establish government offices there.
Refugees	<ol style="list-style-type: none"> 11. The right of return for all Palestinian refugees is acknowledged as is the right of Jews to immigrate to Israel. 12. Palestinian refugees are given a choice between repatriation and compensation combined with citizenship in other countries. 13. Israel is granted a veto over the repatriation of Palestinian refugees in Israel, therein included territories acquired through land swaps.
Security arrangements	<ol style="list-style-type: none"> 14. Palestine is constitutionally committed to armed neutrality. 15. It is allowed to field only such military forces as are required for the defence of its sovereignty and territorial integrity. 16. It is committed to disarm all non-state forces on its territory and to prevent its territory from being used by terrorist groups.

However attractive such an arrangement may appear, it needs some underpinning for it to stand even a remote change of ever being realised.

- First of all, it has to contain assurances that this settlement will indeed be final, in the sense that

both sides solemnly and credibly renounce their right to ever come up with additional demands.

- Secondly, it must contain safeguards and mechanisms to ensure compliance with all its stipulations—including clauses about what to do in case of suspected or actual non-compliance. Otherwise the risk is significant that one side will simply shout “foul play” and abrogate the agreement, taking everybody “back to square one”.
- Thirdly, it presupposes a favourable environment, where the other Arab states are willing to diplomatically recognize and peacefully coexist with Israel.

As rightly pointed out by the International Crisis Group, the arrangement thus needs some international underpinning, both formally and materially. Formally, there must be an authority over and above the two sovereign states to arbitrate between them. Materially, that authority must have the means to enforce its will over those of the contestants.

8.2 The Regional Setting: Arab-Israeli Peace

Unless its regional environment remains peaceful, Israel does indeed have a security problem which might warrant such extraordinary measures as could upset the deal with the Palestinians. It is, of course, conceivable that “the international community” (including the United States as the unchallenged military superpower) could throw its weight into the conflict to preserve the Israel-Palestine arrangement against regional “spoil-sports”, but unlikely that it would continue be ready for this indefinitely. Hence the need to embed the Israel-Palestine arrangement in a more comprehensive regional setting, which would have to include the following elements.

Syria remains an indispensable party to any lasting peace, if only because of its support for the radical Palestinians and its central role in Lebanon. A precondition for an Israeli-Syrian peace is, of course, an Israeli withdrawal from the (illegally) occupied Golan Heights,¹¹⁶ but this raises at least two problems.

First of all, any party in a position to deploy missiles, long-range artillery or other offensive-capable armed forces on the heights will constitute a threat to the respective other. Hence the need for a demilitarisation (or, at least, a prohibition of the stationing of certain types of weaponry such as long-range artillery) combined with an international military presence, which could be combined with early warning facilities, the data from from should be accessible to both sides.¹¹⁷ Secondly, a mutually acceptable solution to the water problem would have to be found, e.g. by an Israeli leasing from Syria of the contested shoreline of Lake Tiberias or, even better, an agreement on joint management of the water problem—as a means to facilitate which Israel might even “play the Turkish card” by helping ensure Syria sufficient water supplies from the Euphrates-Tigris.¹¹⁸

It will surely help if Syria proceeds with the liberalisation or even democratisation process which has apparently been set in motion after the death of Asad senior¹¹⁹—but it would be unwise to make this a precondition for a peace agreement.

Lebanon is, likewise, a potential problem, not so much because of strength as of weakness. A Lebanese state which disintegrates as it did in the past¹²⁰ will either make Syria feel that it needs to maintain its military presence in Lebanon, or it will leave the country wide open for use by Palestinian forces refusing to respect the Israel-Palestine peace agreement—or it will provoke an Israeli re-occupation of (southern or all of) Lebanon. A precondition for internal peace in Lebanon would seem to be a demobilisation of all militias, including the *Hizbullah*, which again makes Syria a central player, along with its quasi-ally Iran, both of whom are supporting it.¹²¹

The Israeli peace with **Jordan** should be strengthened further, e.g. in order to protect it against any unfavourable internal developments, such as a toppling of the Hashemite regime, e.g. by islamists Palestinians.¹²² This would inevitably have reverberations in Palestine and might well upset an Israeli-Palestinian peace. A precondition for strengthening the State in Jordan might be a repatriation of a large part of the refugees to Palestine combined with the granting of full citizenship to those who prefer to remain in Jordan—which might, in its turn, call for some international economic support.

As the leading Arab state **Egypt** is also a central piece of the puzzle. Unfortunately its peace with Israel remains distinctly cold, and it strains the imagination to conceive of a “warm” peace between the two countries in the absence of a satisfactory solution to the Palestinian problem. The regime in Egypt has continuously been challenged by Islamist forces, which would undoubtedly be

strengthened if Egypt were to abandon its (mainly rhetorical) support for the Palestinian cause.¹²³

8.3 A "Fertile Crescent Community"

All of the above regional factors are interlinked, and problems in one bilateral relationship could all too easily spill over into others. Hence the need for a multilateral settlement. One might, for instance, want to think about the prospects of a "Chinese boxes" arrangement, where the future Palestine and Jordan establish a confederation (perhaps even federation),¹²⁴ which then merges with Israel into a looser confederation.¹²⁵

This entails a certain division of powers between confederate, federate, state, local and perhaps regional political authorities. At which level the supreme authority should reside would differ from one issue-area to the next, preferably according to the principles of "subsidiarity". Some authority, e.g. over religious matters, might even be divided functionally (between the different religious groups within the total territory) as opposed to territorially, as in a consociational democracy.¹²⁶

In such a confederate structure, borders would be less important. They would be internal, administrative borders, rather than dividing lines between sovereign political entities. Hence, they would be less likely to provide a possible *casus belli*. They could, furthermore, gradually become "softer" and more permeable, thus allowing for a freer flow of labour, goods and capital, thereby allowing for synergies and economies of scale that would promise medium to long-term benefits for all involved.

The suggested scheme also offers a possible solution to the thorny, but inescapable, question of Jerusalem/*Al-Quds*. Within the larger political framework, and with both the Israeli and Palestinian political authorities "demoted" from sovereign to more administrative units, it would be less of a problem to envision the city serving as a dual, or even triple, capital. It could be the capital, and host the government of, both Israel and Palestine, just as it might be the home of the confederal authorities—just like Brussels is both the capital of Belgium and the centre of the European Union. Religious matters, such as the maintenance of, and regulation of access to, the holy sites, could be handled by an ecumenical authority, while each half of the city could have its own (half-)city councils in charge of local administrative matters.¹²⁷

The resultant confederation might, in due course, become a constituent part of an even larger (but inevitably also even looser) political entity, including Lebanon and/or Syria, i.e. some kind of "Fertile Crescent Community".¹²⁸ In the fullness of time other states adjacent to this community might become associated with it—just as regional organisations in other parts of the world (e.g. ASEAN in Southeast Asia) have widened, in some cases even to embrace former enemies.¹²⁹

It would, for instance, be important to tie countries such as Turkey, Egypt, Iran, Iraq and Saudi Arabia to it, all of which have important stakes in the Levant. Turkey by virtue of its sharing of water resources with Iraq and Syria and its quasi-alliance with Israel as well as, perhaps even more importantly, its potential role between the Levant and Europe;¹³⁰ Egypt because of its former control of the Gaza strip its shared border with Israel and its leadership role in the Arab world; Iran by virtue of its alliance with Syria and its status as a major military power;¹³¹ Iraq because of its shared borders with Jordan and Syria and its future status as a major Arab military power, once the sanctions are lifted; and Saudi Arabia because of its central religious role and formidable economic power.

It would, however, be important that this piecemeal association does not occur so fast as to sacrifice deepening for the sake of widening. One might, for instance, envision a process with the following steps, alternating between deepening and widening and lasting, at least, a decade, probably longer.

1. Palestinian statehood (under international supervision or trusteeship)
2. A Palestinian-Jordanian loose confederation, including foreign policy (deepening)
3. An association agreement between the confederation and Israel (widening)
4. Full confederation between Israel and Palestine/Jordan (deepening)
5. Association agreements with Lebanon and Syria (widening)
6. Full confederation with Lebanon and Syria (deepening)
7. Association agreements with Turkey, Egypt, (post-Saddam Hussein) Iraq, Iran, and Saudi Arabia (widening)
8. Formation of a "Fertile Crescent Community" (deepening)

The resultant community would hold a lot of promise for all involved, not “merely” in terms of conflict prevention and peace, but also economically.¹³² The starting point for such a process, however, has to be the granting of sovereignty to Palestine, as this is a precondition for entering into such binding agreements. On the other hand, non-binding declarations of intent on the part of the present PA might make the prospects of Palestinian statehood more palatable for Israel—and some kind of international supervision might make such declarations more credible. As shall be elaborated upon below, the international community, and especially the EU, may also facilitate the process.

8.4 The International Setting

As rightly emphasised by the ICG and others, the international setting matters, both for better and worse.

- External actors may hamper the achievement of an Israel-Palestine or a more comprehensive regional peace, e.g. by upsetting an already fragile semi-stability by launching a war such as the planned one against Iraq; or they may give the parties unrealistic expectations of the prospects of victory; or they may provide unconditional support to one side, thereby removing its need for such a compromise as would be the only realistic solution to the conflict, as argued above.
- External actors may facilitate an agreement, e.g. by putting pressure (by means of sanctions or otherwise) on the parties to reach a settlement; or by promising rewards for such a solution (e.g. in the form of economic support);¹³³ or by serve as mediators between the conflicting sides, i.e. as “honest brokers”,¹³⁴ or by providing safeguards for each side against the respective other’s non-compliance with the agreement.

The most relevant external actors in this respect are surely the United Nations, the USA and “Europe”, particularly the European Union, as in the aforementioned Quartet, to which Russia may seem to be a party more for its own sake than for that of the Middle East.

For some reason, a consensus seems to have emerged, even within the Quartet, that the United States should play the leading role—a position also adopted by the ICG. The wisdom in thus continuing to acquiesce in a US “leadership” which has yet to produce results seems questionable, as it is neither self-evident that the United States can, nor that it is even willing to help, bring about a solution to the conflict. It may be the only power with a sufficient weight to make an impact on the stalled Israel-Palestine peace process, but experience seems to show that not even the US is able to persuade Israel to change its policies, e.g. with regard to settlements.

The United States has all along been far from impartial, but a staunch supporter of Israel, not least because of ideological affinity.¹³⁵ As the region’s main military power, Israel will also continue to play an important strategic role for the United States—even in a future war against Iraq for which Israel has promised its support.¹³⁶ Conversely, the United States is bound to remain Israel’s main ally, if only because of its role as the main supplier of arms (on very favourable terms), providing between 1996 and 2000 2,076 of 2,890 million constant 1990 US dollars, i.e. 72 percent.¹³⁷ In both cases, the strength of the relationship is directly proportional to the region’s conflict-proneness.

Hence Washington may neither be able nor even have the will to enforce a compromise settlement—and it is even less likely than before to do so under the present Bush administration.¹³⁸ On the other hand, it is clear that nobody else can enforce an agreement which the United States does not support, much less one that it directly opposes. Hence the role of Washington may be more appropriately described as that of a potential “spoiler”—but the conclusion remains the same, i.e. that the USA must be part of any solution, albeit mainly because it is anyhow part of the problem.

9 A POSSIBLE ROLE FOR EUROPE

There is an urgent need for someone to play the leading role for which the United States does not qualify. It is the contention of this paper that “Europe”, and particularly the EU, might play such a role, if only it decides to give it a try. For this to happen, four things are required: leverage, instruments, will and sound policies.

9.1 The Leverage of the EU

One of the vehicles for an EU policy in the Middle East in general, and the Israel-Palestine conflict in particular is the so-called "Barcelona process", encompassing the EU and countries of the Maghreb and the Levant, including both Israel and Palestine (see map). It was initiated with the Barcelona Declaration (27-28 November 1995)¹³⁹ which formulated the common objective of "a just, comprehensive and lasting peace settlement in the Middle East based on the relevant United Nations Security Council resolutions" and the even loftier goal of "turning the Mediterranean basin into an area of dialogue, exchange and cooperation guaranteeing peace, stability and prosperity". On the other hand, the EU also pledged to "refrain, in accordance with the rules of international law, from any direct or indirect intervention in the internal affairs of another partner", thereby to some extent tying its own hands with regard to impacting on such "internal affairs" as might jeopardise regional stability.



Alternatively, this pledge might be seen as reflecting the indirect approach to security which has arguably characterised the "European project" since its very inception. Ever since the founding of the European Steel Community, via the Rome Treaty and the EEC (European Economic Community) to the present European Union, this organisation has focused on "soft security"—i.e. security based on a removal of motives for aggression, mostly by non-military means. The underlying philosophy was made explicit in the 1952 Schuman Declaration:¹⁴⁰

The coming together of the nations of Europe requires the elimination of the age-old opposition of France and Germany. (...) The pooling of coal and steel production should immediately provide for the setting up of common foundations for economic development as a first step in the federation of Europe (...). The solidarity in production thus established will make it plain that any war between France and Germany becomes not merely unthinkable, but materially impossible.

The Barcelona process is, likewise, based on the presumed link between interdependence and peace,¹⁴¹ which would presumably be furthered by the "zone of shared prosperity" envisaged in the Barcelona declaration to be based on a Euromediterranean Free Trade Area.

The notion of "dialogue among civilisations" falls in the same category of soft measures, and might in fact be seen as a continuation of the general policy of detente during the Cold War and, in particular, the Ostpolitik of Germany under the heading "*Wandel durch Annäherung*" (i.e. "change through rapprochement").¹⁴² It might also be seen as a counter to the thesis of a future "clash of civilisations" promulgated by Samuel Huntington.¹⁴³ To the end of civilisational dialogue the declaration foresaw, inter alia, meetings between representatives of the different religions and other concrete initiatives such as periodic meetings between parliamentarians.

An integral part of the Barcelona process is the MEDA programme, under the auspices of which the EU disburses grant and loans to the partner countries, both bilaterally (86 percent in the period 1995-1999) and to regional collaboration (12 percent).¹⁴⁴ MEDA and the entire Barcelona process are now in their second phase, yet seemingly without any major changes in orientation.¹⁴⁵ The main component remains development aid, for which the PA is eligible, but Israel not, because of its high level of economic development.

There is no doubt that the substantial support granted to the PA, both by the EU as such and by individual member countries provides Europe with considerable leverage over the Palestinian authorities.¹⁴⁶ The EU is the main provider of aid, committing from 1994 to 1999 a total of €731.1 million.¹⁴⁷ The EU has further provided special assistance to the PA institutions, including training for the security forces. In response to the Israeli attacks on the PA institutions (including facilities financed by the EU), the EU further pledged further assistance for their reconstruction.¹⁴⁸ While it has

come under pressure from Israel and the United States to withdraw this support—because of allegations that some of it has been diverted to terrorist activities—the EU has (so far) remained steadfast in wanting to maintain the assistance,¹⁴⁹ and it has even provided emergency humanitarian assistance to the beleaguered Palestinians.¹⁵⁰ To this assistance should be added the bilateral aid granted by individual EU member states and the multilateral aid which most of them are providing via the UN's various affiliates such as UNRWA.

Even though most of the Palestinian trade with the EU still goes via Israel, a free-trade agreement (signed in 1997) has been in force since 2001.¹⁵¹ Once Israel removes the present trade impediments and the Palestinian economy is reconstructed, the free trade agreement holds considerable promise for the Palestinian.

The EU's leverage over Israel has little to do with aid (for which Israel does not qualify) and more with trade relations. To the extent that it is able and willing to collaborate with other MEDA countries, however, Israel is also eligible for its share of funds set aside for regional collaboration.¹⁵² More importantly, however, Israel has an association agreement with the EU, signed in 1995 (replacing a precursor from 1975) and in force since 2000.¹⁵³ Partly as a result of this, the EU is Israel's main trading partner, standing for about 27 percent percent of Israel's exports and 35 percent percent of its imports (see Table 8).

Table 8: Israel's Trade (Mil. ECU/EURO)¹⁵⁴

Imports from:	1980	1990	2000	Exports to:	1980	1990	2000
World	6,956	12,044	39,917	World	3,984	9,427	34,612
EU	1,813	5,456	13,978	EU	1,777	3,626	9,351
EU Share	26.1%	45.3%	35.0%	EU Share	44.6%	38.5%	27.0%

Table 9: Israel's Foreign Trade¹⁵⁵ (US\$ mil.)

Exports to									
Year	USA	Rest Am.	EU	Rest Eur.	Africa	Asia	Oceania	World	USA EU Others
1991	3,602	386	4,405	527	186	1,753	121	10,980	33% 40% 27%
1992	4,008	405	4,681	575	229	2,049	143	12,089	33% 39% 28%
1993	4,622	500	4,538	974	264	2,512	159	13,569	34% 33% 32%
1994	5,277	638	4,966	1,047	284	3,185	215	15,611	34% 32% 34%
1995	5,736	676	6,153	1,306	354	3,825	248	18,297	31% 34% 35%
1996	6,303	753	6,594	1,391	389	4,131	239	19,799	32% 33% 35%
1997	7,257	947	6,788	1,632	477	4,196	279	21,576	34% 31% 35%
1998	7,936	1,074	7,091	1,549	479	3,242	272	21,642	37% 33% 31%
1999	8,750	1,026	7,561	1,484	470	4,109	331	23,731	37% 32% 31%
2000	11,734	1,200	8,563	1,866	546	5,817	245	29,970	39% 29% 32%
2001	11,112	1,373	7,636	1,643	458	5,245	264	27,730	40% 28% 32%
Imports from									
Year	USA	Rest. Am.	EU	Rest Eur.	Africa	Asia	Oceania	World	USA EU Others
1991	3,261	366	8,411	1,712	300	1,360	48	15,459	21% 54% 24%
1992	3,234	332	9,832	1,642	332	1,612	56	17,041	19% 58% 23%
1993	3,643	334	10,548	1,965	298	2,043	56	18,887	19% 56% 25%
1994	4,272	425	12,719	2,182	325	2,293	63	22,279	19% 57% 24%
1995	5,259	451	14,808	2,640	414	2,835	78	26,485	20% 56% 24%
1996	5,982	465	15,483	2,535	390	3,049	91	27,994	21% 55% 23%
1997	5,445	617	14,859	2,545	388	3,134	92	27,080	20% 55% 25%
1998	5,386	696	13,335	2,634	355	3,418	114	25,937	21% 51% 28%
1999	6,317	685	14,386	3,087	363	4,088	102	29,029	22% 50% 29%
2000	6,646	678	15,466	3,469	373	5,202	149	31,983	21% 48% 31%
2001	6,705	648	13,920	3,518	429	4,697	151	30,068	22% 46% 31%

In comparison, the US figures are forty percent for exports to Israel and twenty percent for imports from Israel (see Table 9). This trade dependency might be instrumentalised by being made conditional on satisfactory Israeli performance vis-à-vis the Palestinians. Suggestions have also been made for a

modification of the Association Agreement enjoyed by Israel to ensure that they do not apply to commodities produced on occupied ground, thereby barring access for the produce of Israeli settlements from the West Bank, Gaza and Golan.

The EU also has other, less concrete, instruments at its disposal for exerting influence on Israel. The Jewish state has an obvious interest in portraying itself (and not without some justification) as a semi-European "island of modernity" in a sea of premodern orientalism. Even though this interest may be somewhat stronger among the *askenazi* than the *sephardim* all share the desire to be acknowledged as the bastion of western values. This might be instrumentalised by the EU, e.g. by making the acknowledgement of Israel's "European credentials" conditional on civilised behaviour towards the Palestinians. Holding up the prospects of an EU membership at some point in the future might be an even stronger instrument which might induce "anticipatory adaptation" to European standards¹⁵⁶—as seems to have been the case of Turkey's recent reform package.¹⁵⁷

The EU thus has the potential for exerting considerable influence on both parties to the conflict, mainly by "soft" means. Unfortunately, however, the impact thereof is likely to be less significant, the more both sides are in "a security mode", i.e. the more all other considerations are set aside for the sake of national security. To the extent that they see their very survival as states and/or nations to be endangered, both Israel and the Palestinians are quite prepared to endure hardships.

Potentials such as the above may thus, at best, be instrumentalised as contributions to the aforementioned "moment of ripeness", e.g. by making the stalemate look intolerable, as well as to make the possible (post-conflict) future look bright enough for both sides to be willing to take some risks.

9.2 EU Ambitions and Instruments for Conflict Management

There is also a need for more direct intervention into the conflict. Most of these are surely non-military, even though military means may conceivably also come to play a role.

The EU impacts strongly on the economic, and thereby also social and political conditions, of other countries, including their propensity for violent conflict. In recognition of these linkages, conflict prevention and resolution considerations are increasingly being integrated with the general concepts of development. The EU has produced a number of documents on conflict management and resolution in recent years which may be add up to an actual strategy:

Table 10: Recent EU Documents on Conflict Management

1997	The "EU Programme for Preventing and Combating Illicit Trafficking in Conventional Arms" ¹⁵⁸
1998	"The Role of Development Cooperation in Strengthening Peace-building, Conflict Prevention and Resolution" ¹⁵⁹
1998	The "EU Code of Conduct on Arms Export" ¹⁶⁰
1998	"The European Union's Contribution to Combating the Destabilising Accumulation and Spread of Small arms and Light Weapons" ¹⁶¹
1999	Council Resolution on Small Arms ¹⁶²
1999	"Co-operation with ACP Countries Involved in Armed Conflicts" ¹⁶³
2001	"Linking Relief, Rehabilitation and Development—An Assessment" ¹⁶⁴
2001	<i>Conflict Prevention</i> (Commission communication) ¹⁶⁵
2001	EU Programme for the Prevention of Violent Conflicts ¹⁶⁶
2002	Check-list for Root Causes of Conflict ¹⁶⁷

In the communication from the Commission on *Conflict Prevention* of 2001 a long list of recommendations for conflict prevention was contained. Under the heading of "long-term prevention" it expressed the intention to

(...) give higher priority to its support for regional integration and in particular regional organisations with a clear conflict prevention mandate; (...) ensure that its development policy and other co-operation programmes are more clearly focused on addressing root causes of conflict in an integrated way (...) implement, for countries showing conflict potential, more targeted actions, where appropriate, to open the way to a more favourable democratic environment. (...) play an increasingly active role in the security sector area. This will take the form of activities aiming at improving police services, promoting conversion, disarmament and non-proliferation both as regards weapons of mass destruction and

upon which they are supposed to impact and their time perspective.

Table 11: What the EU Might Do	
Israel-Palestine Conflict	The Regional Setting
Immediate Measures	
<ul style="list-style-type: none"> • Put pressure (e.g. by means of trade conditionalities) on Israel to end the occupation and reprisals against presumed terrorists and their families • Put pressure (e.g. by means of aid conditionalities) on the PA to prevent terrorist attacks on Israel • Support Israeli NGOs promoting a peaceful solution to the conflict • Support Palestinian NGOs opposing terrorism • Monitor elections in Palestine and recognise whoever is elected • Support Palestinian security sector reform, both financially and in the form of training 	<ul style="list-style-type: none"> • Convene a conference on peace in the Levant, bringing together Israel, Palestine, Lebanon, Jordan, Syria, Turkey, Egypt, Saudi Arabia and Iran—with a “parallel track for” NGOs • Sponsor a series of seminars on matters of common concern both concerning “soft security” (e.g. tourism, water management, etc.) and hard issues such as arms control and military doctrines and strategies (mainly between Israel and Syria). • Put diplomatic pressure on Syria and Iran to terminate support for Hizbullah, by making this a precondition for preferential trade agreements
Short-Term Measures	
<ul style="list-style-type: none"> • Provide peacekeeping forces for the West Bank and Gaza • Provide international police forces for the West Bank and Gaza • Provide an international presence for Jerusalem, mainly in the form of police forces in and around the Old City • Recognise diplomatically the “Republic of Palestine” upon its proclamation 	<ul style="list-style-type: none"> • Provide peacekeeping forces for the Golan in case of an Israeli-Syrian agreement • Establish and maintain an early warning station on the Golan, preferably as a joint venture with the USA, providing satellite and air surveillance. • Provide troops for an international military presence in southern Lebanon, mandated, inter alia, to oversee the disarmament of the <i>Hizbullah</i>
Medium-to-Long Term Measures	
<ul style="list-style-type: none"> • Accept temporary custodianship over Palestinian territories upon an Israeli withdrawal • Provide economic assistance for the resettlement of Palestinian refugees in Palestine • Grant asylum and citizenship to a stipulated number of Palestinian refugees • Provide economic assistance for the resettlement of Palestinian refugees in neighbouring countries • Provide additional, and preferably long-term, aid for Palestine • Offer future membership of the EU to Israel and Palestine, made conditional upon meeting of EU standards of democracy and human rights. 	<ul style="list-style-type: none"> • Convene a conference with a view to signing a “Stability Pact for the Middle East”, in analogy with that signed for the Balkans in 1999,¹⁷⁷ offering major support for reconstruction and institution-building, mainly for the Palestinian state • Support regional collaboration and integration projects • Provide leadership of a contact group to oversee the entire peace process and comprising, besides the parties themselves, the United States, the United Nations, Saudi Arabia, Jordan and Egypt

All of the above calls for the EU to take the lead. Needless to say, the EU should seek to involve the United States as much as possible, but it would be unwise to make US active participation a precondition for moving ahead.

10 CONCLUSION

We have thus seen that the seemingly intractable Israel-Palestine conflict is indeed susceptible to rational analysis, assuming that both sides behave rationally in accordance with their interests as they see them. Some common ground can, indeed, be identified, i.e. it is possible to satisfy the basic security needs of both sides simultaneously if only both recognise the need for a compromise. The international setting is, likewise, quite favourable to a compromise solution to the conflict, the main point of which would be the establishment of a sovereign Palestinian state, embedded in a set of broader security arrangements. While the rest of the world seems to have acquiesced in a self-proclaimed U.S. leadership, it is the contention of this paper that the European Union would be well-

conventional weapons. (...) in post-conflict situations, concentrate EC assistance on the consolidation of peace and the prevention of future conflicts, in particular through rehabilitation programmes, child-related rehabilitation measures and DDR programmes as well as programmes supporting reconciliation processes. (...) give higher priority to its support aimed at controlling the spread of small arms.

Under the heading of "short term prevention" it mentioned regular reviews of potential conflict zones, including the establishment of early warning mechanisms, the use of preventive sanctions, systematic use of the political dialogue where a crisis appears imminent, the use of special representatives for mediation and training initiatives in the fields of rule of law and civil administration for personnel to be deployed in international missions.¹⁶⁸

All this sounds very promising even though it remains to be seen whether the actual implementation will be satisfactory. If so, it could do quite a lot to help in both conflict prevention and post-conflict peace-building. So far, however, the EU has not had the audacity to attempt playing the leading role as mediator or honest broker in the Israel-Palestine conflict.

Until recently, however, the EU deliberately avoided military matters; leaving the military aspects of security to NATO and/or the Western European Union (WEU). In connection with the Maastricht treaty of February 1992, however, the WEU was proclaimed to constitute an integral part of the EU, and in June the same year the WEU formulated its future tasks, henceforth known as "Petersberg tasks", comprising peacekeeping, humanitarian operations and crisis management. Since then, all operational WEU activities have been taken over by the EU.¹⁶⁹

Spearheaded by Germany, France and the UK, the EU have thus created a genuine European security and defence capacity, the interim goal being the capacity of fielding 60,000 troops on short notice for "Petersberg operations". However, they all emphasize the need to preserve the transatlantic link and go out of their way to assure the US that the European ventures are entirely compatible with NATO.¹⁷⁰ Should the Israel-Palestine conflict at some stage call for an international military presence, as seems quite likely (*vide supra*), the EU will thus have the requisite means at its disposal—just as it would have for dispatching an interpositioning force after a future Israeli withdrawal from the Golan.

9.3 A European Middle East Policy

It takes more than just leverage and instruments to make a difference in a conflict as complicated as that between Israel and the Palestinians. Most important of all is to have a policy that may work.

The European states have, at least collectively, a more impartial attitude to the conflict than does the United States, albeit one resulting from different (and to some extent even opposing) attitudes to the conflict.¹⁷¹ France tends to lean towards the Arab side of the conflict, both because of its past as a "mandate power" and as a reflection of its rivalry with the USA, whereas Germany is almost certain to be on the side of Israel, at least as far as "existential" issues are concerned, lest it be accused of a resurgent anti-semitism.¹⁷² The UK has tended to be more pro-Israeli than the French, if only because of its "special relationship" with Washington; whereas the Nordic countries (Sweden, Finland and Denmark) have a long history of equidistance, having all supported Israel in existential matters while at the same time taking the legitimate demands of the Palestinians seriously.¹⁷³

That the sum of European policies is thus more impartial and even-handed because of the divergence of policies, however, does not easily translate into a unified impartiality, and the European Union has, indeed, found it difficult to agree on a concrete Middle Eastern policy—apart from the general support for the two-state solution and proposals for a peace conference (*vide supra*). On the other hand, the European countries are, in a certain sense, neighbours to the Middle East, separated (or united) by the Mediterranean, which may even have the potential of becoming a fully-fledged region.¹⁷⁴ Hence, they have strong interests in the region and its stability--

However, the EU is not "the only game in town", but most of its member states are also members of NATO (which also has a "Mediterranean dialogue" process)¹⁷⁵, hence may have conflicting loyalties.¹⁷⁶ On the other hand, this may also provide the EU with some indirect leverage as the main allies of the United States. If anybody can persuade Washington to change course, it is undoubtedly its European friends and allies.

9.4 Recommendations

What the EU might do includes the measures listed in Table 11, subdivided according to the "setting"

advised to take the lead as it is in a much better position than the United States to play the role as an honest broker and facilitator of a negotiated settlement of the conflict.

11 ENDNOTES

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⁴ United Nations General Assembly Resolution 181(II) "Future Government of Palestine" (29 November 1947) at <http://domino.un.org/unispal.nsf>.

⁵ Estimate by UNRWA (United Nations Relief and Works Agency for Palestine Refugees in the Near East) from www.un.org/unrwa/refugees/p1.htm.

⁶ On the Israeli settlement policy, see e.g. Tessler, Mark & Ann Mosley Lesch: "Israel's Drive into the West Bank and Gaza", in Ann Mosley Lesch & Mark Tessler (eds.): *Israel, Egypt and the Palestinians. From Camp David to Intifada* (Bloomington: Indiana University Press, 1989), pp. 194-222; Efrat, Elisha: "Jewish Settlements in the West Bank: Past, Present, and Future", in Efraim Karsh (ed.): *Peace in the Middle East. The Challenge for Israel* (London: Frank Cass, 1994), pp. 135-148. See also Bar-Tal, Daniel, Dan Jacobsen & Tali Freund: "Security Feelings among Jewish Settlers in the Occupied Territories: A Study of Communal and Personal Antecedents", *The Journal of Conflict Resolution*, vol. 39, no. 2 (June 1995), pp. 353-377. For an update see the "Settlement Monitor", published by the *Journal of Palestine Studies* in each issue.

⁷ Art. 11 in the UN General Assembly's resolution 194.III (11 December 1948), at www.un.org/Depts/dpa/qpal/docs/A_RES_194.htm. On the refugee question see also Peretz, Don: *Palestinians, Refugees, and the Middle East Peace Process* (Washington, DC: United States Institute for Peace Press, 1993), *passim*; and the website of the UNRWA at www.un.org/unrwa/refugees/index.html. On the right of return see Mazzawi, Musa: *Palestine and the Law. Guidelines for the Resolution of the Arab-Israeli Conflict* (Reading: Ithaca Press, 1997), pp. 172-197; Alpher, Joseph & Khalil Shikaki: *The Palestinian Refugee Problem and the Right of Return* (Cambridge, MA: Weatherhead Center for International Affairs, Harvard University, 1998).

⁸ Figures from UNRWA www.un.org/unrwa/pr/pdf/figures.pdf.

⁹ Figures from UNHCR at www.unhcr.ch/statistics/hcr2001prov.zip.

¹⁰ For a list of UN resolutions see http://www.un.org/Depts/dpa/qpalnew/resolutions_new_qpal.htm. On the attitude of the Arab states see Sela, Avraham: *The Decline of the Arab-Israeli Conflict: Middle East Politics and the Quest for Regional Order* (Albany, NY: State University of New York Press, 1997) and Barnett, Michael N.: *Dialogues in Arab Politics: Negotiations in Regional Order* (New York: Columbia University Press, 1998), both of which describe Arab politics as increasingly dominated by states acting on the basis of normal *raison d'état*, dismissing as increasingly empty rhetoric the pan-Arabist ideology that would mandate support for the Palestinian cause. See also Tibi, Basam: "From Pan-Arabism to the Community of Sovereign Arab States: Redefining the Arab and Arabism in the Aftermath of the Second Gulf War", in Michael C. Hudson (ed.): *Middle East Dilemma. The Politics and Economics of Arab Integration* (New York: Columbia University Press, 1999), pp. 92-106.

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¹⁰⁸ Mazzawi: *op. cit.* (note 7), pp. 172-197.

¹⁰⁹ Rouyer, Alwyn R.: "The Water Issue in the Palestinian-Israeli Peace Process", *Survival*, 39,2 (Summer 1997), pp. 57-81.

¹¹⁰ See, for instance, Roy: *op. cit.* (note 48), *passim*.

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¹¹² Weber, Max: "Politics as Vocation" (1918), in H.H. Gerth & C. Wright Mills (eds.): *From Max Weber: Essays in Sociology* (New York: Galaxy Books, 1958), pp. 77-128, quote from p. 78. On the Palestinian security services see the works listed in note 60.

¹¹³ Fischer, Stanley; Dani Rodrik & Elias Tuma (eds.): *The Economics of Middle East Peace. Views from the Region* (Cambridge, MA: MIT Press, 1993); Fischer, Stanley, Leonard J. Hausman, Anna D. Karasik & Thomas C. Schelling (eds.): *Securing Peace in the Middle East. Project on Economic Transition* (Cambridge, MA: MIT Press, 1994); Brynen, Rex: *A Very Political Economy. Peacebuilding and Foreign Aid in the West Bank and Gaza* (Washington, DC: United States Institute of Peace Press, 2000).

¹¹⁴ Inspired by, but in some respects different from, the proposals of the ICG (note 51).

¹¹⁵ The ICG has a number of concrete suggestions for such swaps. See *Middle East Report*, no. 2 (note 51), p. 23.

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¹¹⁹ On the partial liberalisation under Hafiz al-Asad see Kienle, Eberhard (ed.): *Contemporary Syria. Liberalization between Cold War and Cold Peace* (London: I.B. Tauris, 1994). On the further liberalisation under his son's rule see Haddad, Bassam: "Business as Usual in Syria?", *MERIP Press Information Notes*, no. 66 (7 September 2001), at www.merip.org/pins/pin68.html For an overview of the remaining problems with regard to human rights see Human Rights Watch: "Memorandum to the United Nations Human Rights Committee on Syria's Compliance with the International Covenant on Civil and Political Rights" (1 March 2001), at www.hrw.org/press/2001/04/syriam-0405.htm.

¹²⁰ On the Lebanese civil war see Khazen, Farid El.: *The Breakdown of the State in Lebanon 1967-1976* (London: I.B. Tauris, 2000); Sirriyeh, Hussein: "Lebanon: Dimensions of Conflict", *Adelphi Papers*, no. 243 (London: IISS/ Brassey's, 1989); Atlas, Pierre M. & Roy Licklider: "Conflict Among Former Allies After Civil War Settlement: Sudan, Zimbabwe, Chad, and Lebanon", *Journal of Peace Research*, vol. 36, no. 1 (January

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¹²³ Mustafa, Hala: "The Islamist Movement under Mubarak", in Guazzone (ed.): *op. cit.* (note 106), pp. 161-186; Juergensmeyer, Mark: *Religious Nationalism Confronts the Secular State* (New Delhi: Oxford University Press, 1994), pp. 57-62.. See also Barnett: *op. cit.* (note 10), *passim*.

¹²⁴ On federations and confederations see Lapidoth, Ruth: *Autonomy. Flexible Solutions to Intrastate Conflicts* (Washington, D.C.: United States Institute of Peace Press, 1996), pp. 49-58; Lister, Frederick K.: *The European Union, the United Nations and the Revival of Confederal Governance* (Westport, CT: Greenwood Press, 1996), pp. 17-54; idem: *The Early Security Confederations. From the Early Greeks to the United Colonies of New England* (Westport, CT: Greenwood Press, 1999), pp. 1-16; Elazar, Daniel J. (ed.): *Federal Systems of the World: A Handbook of Federal, Confederal and Autonomy Arrangements*, 2nd ed. (London: Longman, 1994). An elaborate argumentation against confederation is provided by Braizat, Musa S.: *The Jordanian-Palestinian Relationship. The Bankruptcy of the Confederal Idea* (London: British Academic Press, 1998).

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¹⁴⁶ Brynen: *op. cit.* (note 114), pp. 91-94 & *passim*. EU aid to the PA is described in "The EU's Relations with West Bank and Gaza Strip", at http://europa.eu.int/comm/external_relations/gaza/intro/index.htm. See also

¹⁴⁷ Figures from *ibid.*

¹⁴⁸ "Commission decides on emergency rehabilitation of administrative infrastructure of Palestinian Authority" (27 June 2002), at http://europa.eu.int/comm/external_relations/gaza/news/ip02_947.htm.

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¹⁵⁴ Figures from http://europa.eu.int/comm/trade/pdf/bilstat/econo_israel.xls.

¹⁵⁵ Calculated from figures from Israel's Central Bureau of Statistics at <http://www.cbs.gov.il>.

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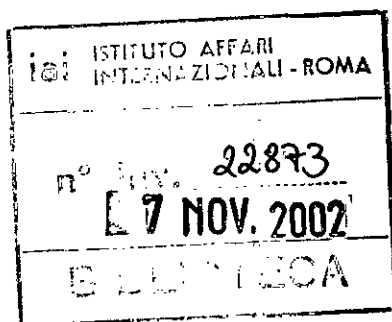
¹⁷³ The Danish policy towards the Palestinians is described in "Gaza/Vestbredden, Tillæg til strategi for det dansk-palæstinensiske udviklingssamarbejde 2000-2003" (Copenhagen: MFA, Danida, 2000), at www.um.dk/danida/landestrategier/gaza-Vestbredden/.

¹⁷⁴ For an argumentation to this effect see Calleya, Stephen C.: *Navigating Regional Dynamics in the Post-Cold War World. Patterns of Relations in the Mediterranean Area* (Aldershot: Dartmouth, 1996), idem: "Regional Dynamics in the Mediterranean", in idem (ed.): *Regionalism in the Post-Cold War World* (Aldershot: Ashgate, 2000), pp. 115-154.

¹⁷⁵ Described at www.nato.int/med-dial/summary.htm.

¹⁷⁶ See, for instance. Biscop, Sven: "Network or Labyrinth? The Challenge of Co-ordinating Western Security Dialogues with the Mediterranean", *Mediterranean Politics*, vol. 7, no. 1 (Spring 2002), pp. 92-112; Fenech, Dominic: "The Relevance of European Security Structures to the Mediterraneans (and Vice Versa)", in Gillespie (ed): *op. cit.* (note 139), pp. 149-176.

¹⁷⁷ "Stability Pact for south-eastern Europe", *Bulletin EU* 6-1999, Conclusions of the Presidency (25/38), at <http://europa.eu.int/abc/doc/off/bull/en/9906/i1026.htm>.



Enhancing Barcelona: Economic Policy Scenarios

Introduction

Economic integration is an integral element of the Barcelona process and is perceived as a key mechanism for stimulating trade and investment and raising growth rates in the region. However, to date, existing integration initiatives have not been effective in delivering these goals. This paper briefly reviews the current state of play in the Barcelona process before assessing what is missing and what should form the core economic substance of a programme for liberalisation and growth in the region. We then proceed to consider the geography of future agreements and how these can be designed to achieve

Pushing the Barcelona Process Ahead.

The current situation in the Mediterranean might be best described as one of plodding along, a large amount of time and energy have, and are, being spent on negotiating trade agreements which will have at best minor economic impacts. The Barcelona process is characterised by a family of limited bilateral free trade agreements. They are limited by lack of coverage; agriculture and services are effectively excluded. They are limited by lack of depth; substantial (and probably increasing) technical barriers to trade remain due to differences in regulatory requirements and the need to duplicate testing and conformity assessment when selling in overseas markets. Finally, they are limited by rules; restrictive rules of origin and lack of cumulation constrain the degree of effective market access.

A re-appraisal of the process of integration between the EU and the Barcelona countries and between these countries themselves is required now :

- firstly because the current process has failed to deliver growth stimulating liberalisation through the opening of market access in goods and selected agricultural products so that serious consideration must be given to achieving genuine improvements in market access throughout the region and to broadening and deepening the whole integration process in the region;
- secondly, the rest of Europe, including Turkey is integrating at a fast pace to create a Wider European Economic Space. If nothing is done to invigorate the integration process in the Mediterranean then the region will fall (further) behind relative to other regions on the periphery of Europe, such as, the Balkans and Russia and the Ukraine. The Wider European Economic Space is being defined not only in terms of standard market access

for goods but is broad in terms of covering services and deep in that key regulatory issues such as health and safety standards and sanitary and phytosanitary standards are addressed. As we will discuss in more detail below effective modern trade agreements must inevitably cover services and standards. These, will, for example, be integral elements of forthcoming EU agreements with Russia and Ukraine.

How then can the Barcelona process be re-invigorated. We separately identify two main aspects. Firstly, the core economic substance that is required for liberalisation and growth. Secondly, the geography of successful agreements to achieve these primary economic objectives?

The Core Economic Substance for Liberalisation and Growth

1. Immediate implementation of effective liberalisation of agriculture

Agriculture remains a key sector in many of the Mediterranean countries and agricultural exports are often an important source of foreign currency. The principal overseas market is the EU. Agriculture is subject to a high degree of distortion throughout the region. The benefits of free trade agreements with the EU are constrained by the special status accorded to agriculture. Not only are the barriers on unprocessed agriculture products high but tariff escalation in the EU remains an important constraint upon the development of processed food sectors in the Mediterranean countries. Continuing restrictions on access to the EU market for agricultural products are the most important constraints on exports for many countries in the region (Chaherli and El-Said (2000)). Within the region too there are substantial barriers to intra-regional trade in agricultural products.

Thus, a key element in promoting trade and growth in the Mediterranean region will be the liberalisation of barriers to basic and processed agricultural products. However, a region-wide approach to this issue is required since countries in the region appear to have comparative advantages in similar agricultural products (such as fruit and vegetables) so that bilateral liberalisation at different speeds could lead to substantial trade diversion. Also of importance in the context of market access in agricultural products is the issue of sanitary and phytosanitary standards and the difficulties that exporters face in accessing both the EU and neighbouring markets.

2. Move quickly towards *the effective liberalisation of services*.

It is becoming increasingly recognised that services play an integral role in economic advancement and that their exclusion from liberalisation is likely to severely constrain the benefits that are available from the integration of other sectors such as manufacturing. To be blunt, inefficient provision of key services, such as finance, telecommunications and transport, limits economic growth. In this section we briefly discuss the economic reasoning and empirical studies that should propel discussions concerning the liberalisation of services to the forefront of discussions about integration in the Mediterranean.

Inefficient domestic production of services behind trade and investment barriers acts as a tax on the production of goods. Many industrial sectors in Mediterranean countries may well be currently facing negative rates of effective protection since whilst tariffs on industrial goods are being removed with the principal trading partner (the EU) constraints remain which raise the price of service inputs. In other words the liberalisation of markets for goods in the absence of services liberalisation can lead to negative rates of effective protection of goods and hence the need for parallel liberalisation of goods and services (Mattoo et al (2001)). This entails that there will no incentive to increase the output of a goods sector which is not receiving protection but where the services that it uses are protected. The protection of services raises their price in the domestic economy and so the costs of industries which rely on them. Indeed, the liberalisation of services may be necessary for industrial sectors to be able to fully benefit from the direct opportunities that are made available by the removal of trade barriers.

The above paragraph stresses the importance of services liberalisation in improving the efficiency of use of existing resources. There is an increasing literature which links services to economic growth. Just as with trade in goods, liberalisation of trade in services can lead to technology transfer and technology spillovers. These can arise both through cross-border provision of services and through foreign direct investment to establish commercial presence. Such technology transfer will be the source of additional growth.

There is one key difference that distinguishes services from goods liberalisation, in terms of their impact on growth. Services liberalisation often implies a larger scale of activity in the domestic economy which provides greater scope for the growth enhancing characteristics

which are present in many service sectors such as learning by doing and knowledge generation, raising product variety and product quality (Mattoo et al (2001)). This larger scale of activity arises because for many services the simultaneity of production and consumption entails that a local presence is necessary to supply the market. This requires factors of production to move to the consuming country. Further, many barriers in services sectors constrain entry to the market, not just to foreign entrants but also to new domestic providers. Hence, the liberalisation of services sectors can result in more competition from both foreign and new domestic firms, which implies a larger scale of activity. It is also worthwhile noting that since services are often labour-intensive this greater scale of activity can play an important role in absorbing workers released as trade protection of import-competing goods is reduced and in attacking general unemployment.

Within the services sector particular attention is often given to financial services due to the role that they play in directing investment funds to the most productive uses and in so doing providing for growth of output and incomes. Financial systems also play other important roles which can affect efficiency and growth (Levine (1997)). These functions comprise the trading and pooling of risk, the collection and dissemination of information concerning different investment opportunities and the monitoring of managerial performance and hence the means and incentives for improved corporate control, the mobilisation of savings through the provision of innovative financial instruments and the facilitation of trade in goods and services through the provision and maintenance of payment systems. If liberalisation of financial services leads to higher savings and investment and/or the more productive use of capital then a higher level of per capita income will result. Growth rates will increase during the transition period to this higher level of income but ultimately growth will return to its equilibrium rate. Permanently higher growth rates will arise if financial liberalisation leads to faster innovation in the financial sector or engenders processes such as learning by doing.

A number of studies have demonstrated the importance of the depth of financial markets for economic growth (King and Levine (1993) Barthelemy and Varoudakis (1995)), although the role of policy and the impact of trade in financial services are not clarified. More recently, Francois and Schuknecht (1999) postulate a causal link from liberalisation of trade in services to performance in financial sectors and economic growth. Trade liberalisation promotes competition and higher quality financial services through entry. In an empirical exercise they

find that moving from closed financial markets to a more open financial system increases the degree of competition in the provision of financial services which is associated with a higher growth rate. Mattoo et al (2001) find that countries with open financial and telecommunications sectors have tended to grow faster than less open countries by as much as 1.5 percentage points.

It is worth noting that constraints upon trade in services are often prohibitive, so that preferential trade liberalisation cannot cause actual trade diversion – there is no trade to divert. In addition, there will not be a loss of tariff revenue since the main barriers to trade are regulatory barriers, which do not generate revenue for the government. In this case a regional trade agreement could only cause ‘potential’ trade diversion in the sense that potential additional gains from non-preferential liberalisation are foregone.

It is clear that there are substantial economic gains to be reaped from the effective liberalisation of services, in terms of both greater economic efficiency and potentially higher growth rates. Many services are important determinants of competitiveness (Hoekman and Messerlin (2002)). With regard to the impact on efficiency, Hoekman and Konan (2000) find using a simulation model that a EU-Egypt free trade agreement limited to goods (but with substantial progress on removing regulatory barriers affecting goods sectors) could raise welfare in Egypt by around 4 per cent whilst an agreement which reduced barriers to services in Egypt could raise economic welfare by over 13 per cent.

Regional integration within the Mediterranean is currently governed by the GAFTA (Greater Arab Free Trade Area) process which aims to have removed import barriers and other barriers to trade by 2008. However, the agreement is confined to trade in goods. Services and investment are excluded. As such, and given the limited scope for trade in goods between Mediterranean that many authors have stressed (see, for example, ?????), the aggregate economic impact of the GAFTA will be slight. Indeed, economic modelling of the impact of intra-regional integration confined to trade in goods suggests that it would be very slight for Tunisia and could be negative for Egypt (Hoekman and Messerlin (2002)). This is not to suggest that there are no potential gains from removing border barriers to intra-regional trade in goods, but that these gains will be small relative to the liberalisation of trade in services and the removal of regulatory barriers to trade and that attaining the full benefits from

removing border barriers will be dependent upon regulatory reform and liberalisation of services.

Finally, the discussion above has concentrated upon the economic benefits of liberalisation of key services in the Mediterranean countries domestic markets. In a number of sectors, such as telecommunications and finance, this will entail increased imports and FDI from EU countries whose service suppliers are relatively efficient. However, it is also very important that there be reciprocal opening of service markets in the EU for sectors where the Mediterranean countries are relatively efficient. So, if EU is serious about achieving liberalisation of services in the region it will have to be bold and liberalise its market for the provision of low-skilled labour intensive services such as construction and allow movement of persons to provide those services in the EU. It is crucial that the EU provides a strong lead by liberalising its own services markets and contribute to an environment which stimulates reform and liberalisation in the Mediterranean. An important issue to which we return later will be the liberalisation of trade in services between the EU and Turkey and the future role that Turkey takes, as a member of a customs union with the EU in defining EU bilateral trade policy in services towards other countries in the region.

3. Standards and integration.

Standards and regulations home come to be increasingly important factors in determining market access. Barriers to trade can arise from differences in the regulatory regimes imposed in various countries, which act to segment markets along national lines, constraining the ability of firms to effectively compete across national boundaries. The market segmenting effects of these policies may not necessarily be intentional. For example, conformity with health, safety and technical standards requires testing and certification, which will normally be required of both domestic and imported products. But if every country maintains its own standards and testing procedures then exported products will face a multiplicity of conformity assessment and hence higher compliance costs and this will tend to reduce international trade flows.

At the same time, and in part due to the reduction in traditional trade barriers, the world economy has become more integrated. This has been reflected in rising volumes of trade and investment flows and increasing international interdependencies between firms. The activities

of multinational firms are now much more important and this is altering the political economy which envelops trade policy making. A large proportion of trade is now intra-firm trade, that is trade which takes place within multinational enterprises. More generally, there has been an increase in the extent to which firms outsource parts of the production process to overseas suppliers leading to a 'sequential, vertical trading chain stretching across many countries' Hummels et al (1999). Thus, a key element in successfully integrating into regional and global markets is inclusion into regional production networks. Differences in national product standards and in certification constrain the development of regional production systems by making internationally integrated production more costly. The latter need to be based upon a clear and certain policy environment and one in which the regional market as a whole can be served without significant interference. This entails that countries go further than the removal of tariffs and quotas on trade to embrace what has come to be called "deep integration". The principal means of achieving deep integration, and so increasing the degree of competition, are the harmonisation of regulations and the mutual recognition of regulatory policy regimes.

Deep integration can be defined as agreements by governments to reduce the market segmenting effects of differences in national regulations by the coordination, harmonisation or mutual recognition of national laws, regulations and enforcement mechanisms. We now proceed to discuss the EU approach to regulatory barriers, looking first at internal liberalisation and then at EU external policies in this area. We concentrate upon technical barriers to trade, which encompass sanitary and phytosanitary measures, and which remain one of the most important causes of market segmentation and which have been particularly important in recent EU bilateral trade policy initiatives.

Technical barriers to trade (TBT's) can arise whenever a producer may have to alter his/her product in order to comply with differing partner country requirements such as for health, safety, environmental and consumer protection issues. These requirements can be imposed by both governments (technical regulations) and non-governmental organisations (non-regulatory barriers, standards). The legal character of technical regulations distinguishes them from non-regulatory barriers or standards; namely, the latter are voluntary, not legally binding and arise from the self-interest of producers or consumers involved, for example, to improve the information in commercial transactions and ensure compatibility between

products. The former mainly relates to either technical specifications or testing and certification requirements such that the product actually complies with the specifications to which it is subjected (conformity assessment). Technical regulations strike at the heart of business operations affecting business pre-production, production, sales and marketing policies. The need to adapt product design, re-organise production systems, and multiple testing and certification can entail a significant cost (or technical trade barrier) for suppliers of exported goods to a particular country, the magnitude of which differs across products. Before moving on to look at regional initiatives regarding technical barriers to trade it is worthwhile to briefly review the approaches that the EU has adopted to remove such barriers on internal trade amongst members.

Instruments for removing Technical Barriers to Trade

EU policy related to standards, testing and certification requirements is currently based upon two approaches: enforcement of the Mutual Recognition Principle (MRP) and if this fails, the harmonisation of technical standards in each member country. The core EU approach of mutual recognition is based upon the idea that a partner country's regulations and conformity assessment mechanisms can offer equivalent levels of protection to those provided by corresponding domestic rules and procedures. Where 'equivalence' between levels of regulatory protection embodied in national regulations cannot be assumed, the only viable way to remove the TBT in question is for the member states to reach agreement on a common set of legally binding requirements. Subsequently, no further legal impediments can prevent market access of complying products anywhere in the EU market. EU legislation harmonising technical specifications has involved two distinct approaches, the 'old approach' and the 'new approach'.

The old approach mainly applies to products by which the nature of the risk requires extensive product-by-product or even component-by-component legislation (chemicals, motor vehicles, pharmaceuticals and foodstuffs) and is carried out by means of detailed directives. In the main achieving this type of harmonisation has been slow for two reasons. First of all, the process of harmonisation became highly technical since it sought to meet the individual requirements of each product category (including components). This resulted in extensive and drawn-out consultations. Secondly, the adoption of old approach directives was based on unanimity in the Council. As a result the harmonisation process proceeded

extremely slowly. Indeed the approach was ineffective since new national regulations proliferated at a much faster rate than the production of EU level directives on a limited set of products (Pelkmans (1987)).

It became increasingly recognised that there was a need to reduce the intervention of the public authorities prior to a product being placed on the market. Moreover, the decision-making procedure needed to be adapted in order to facilitate the adoption of technical harmonisation directives by a qualified majority in the Council. This has been done by the adoption of the 'new approach' and applies to products, which have "similar characteristics" and where there has been widespread divergence of technical regulations in EU countries. What makes this approach 'new' is that it only indicates 'essential requirements' and leaves greater freedom to manufacturers as to how to satisfy those requirements, dispensing with the 'old' type of exhaustively detailed directives.

The new approach directives provide for more flexibility than the detailed harmonisation directives of the old approach, by using the support of the established standardisation bodies, CEN, CENELEC and the national standard bodies. The standardisation work is achieved in a more efficient way, is easier to update and involves greater participation from industry. A further feature of the new approach is the use of market surveillance and the choice of attestation methods that are available: by self-certification against the essential requirements, by using generic standards or by using notified bodies for type approval and testing of conformity of type.

Bilateral Agreements on Conformity Assessment

Harmonisation and mutual recognition have been actively pursued by the EU in external bilateral agreements, not always in the context of a comprehensive trade agreement. The EU has no formal trade agreement with the US but it does have a mutual recognition agreement (MRA) for conformity assessment of specific products. Under a MRA each country is given the authority to test and certify in its own territory, and prior to export, the conformity of products with the other countries regulatory requirements. The EU-US MRA agreement covers the following selected sectors: telecommunications equipment, electromagnetic compatibility, electrical safety, recreation craft, pharmaceutical good medical practices, and medical devices.

Mutual recognition agreements can be expected to bring a number of benefits. In particular, the expense, time and unpredictability of obtaining approval can be reduced if the product can be tested for conformity in the country of production. Unfortunately, at present we do not have good estimates of the impact that MRAs can have on the costs of exporting although some initial survey evidence from OECD (2000) concludes that 'mutual recognition agreements of conformity assessment procedures have had a distinct and beneficial effect on the costs of compliance'.

The European Council has specified a list of priority countries with whom negotiations on MRAs should be conducted. The list comprises the US, Canada, Japan, Australia, New Zealand, Hong Kong, Israel, Singapore, Philippines, China, South Africa, Malaysia, Indonesia, Thailand and Turkey. To date the EU has signed agreements with the US, New Zealand, Australia and mostly recently in April 2002 with Japan. These agreements are confined to particular sectors and in the main the sectors covered by new approach directives (or a subset of those sectors). Recently, the EU has signed Protocols on European Conformity Assessment with a number of Central and Eastern European countries as part of the process of accession to the EU.

Two of the Mediterranean countries appear on the list of possible candidates for mutual recognition agreements with the EU; Turkey and Israel. Turkey is in the process of adopting a wide range of EU legislation in the area of technical standards and regulations which should ultimately lead to Turkey signing its own Protocol on European Conformity Assessment whilst Israel has already signed an Agreement on Good Laboratory Practices (GLP) which entered into force in May 2000. It is worth noting that elsewhere in the broad European economic space there is a trend towards the harmonisation of technical rules and regulations.

What then can countries in the Mediterranean do to ensure that their exporters are able to effectively participate in the European-wide production networks that are developing and that require a degree of consistency in standards and regulations across countries. At the same time there is a need to consider how to dismantle regulatory barriers to trade between Mediterranean countries. Firstly, there is a need to modernise standards on a range of exported products, including agricultural products. Where feasible it would make sense to

adopt EU standards in areas where exports to the EU are important. There are useful experiences from eastern Europe that countries in the region could draw upon. An example is provided by Bulgaria, which is well documented by Daskalov and Hadjokolonov (2002)). These authors point to two important steps that Bulgaria took in amending its system of technical rules and regulations and adopting EU rules. Firstly, Bulgaria's legislators changed the status of Bulgarian standards from obligatory to voluntary. The removal of the obligatory status of the Bulgarski Dargaven Standart (BDS), the Bulgarian State Standard, made it possible for Bulgarian producers to immediately adopt European standards before they were formally introduced as BDS. This was a prerequisite for the adoption of the New Approach of the EU and also avoided the harmonisation process being hijacked and slowed down in the procedure of transposition by domestic interests seeking to remain protected behind domestic standards.

The second key development was the practice of adopting European standards before having them translated into Bulgarian. Such a practice drastically speeded up the harmonisation of Bulgarian standards with those of the EU. This does place the burden on producers and consumers to translate the EU standards, which de jure have been adopted by Bulgaria's legislation but de facto, exist only in an electronic database in a foreign language. However, it avoids the situation which initially existed in Bulgaria whereby the majority of the BDS had not been harmonised such that Bulgarian producers who met the BDS could not have obtained a Certificate of Conformity to EU standards even if there had been an operating system of Mutual Recognition for the corresponding group of commodities.

The adoption of harmonised European standards does not in itself remove all of the technical barriers to exports to the EU. In addition, it is necessary to create the necessary institutional mechanisms to establish an appropriate system of voluntary product testing and certification and the accreditation of independent testing and certification bodies (Notified Bodies). This is a necessary step to allow products for export to the EU to be tested for conformity against EU regulations by domestic certification bodies. Notified bodies have to demonstrate the necessary level of independence, impartiality and integrity. The competence of such bodies must be subject to surveillance and regular monitoring. They must employ personnel with sufficient and relevant knowledge and experience.

However it is not necessary to notify such bodies in every industry sector. The establishment of notified bodies is only necessary in important sectors with strong nation-wide representation. In other industry sectors producers can use the conformity assessment services of foreign notified bodies in the EU countries or notified bodies in neighbouring countries which have signed a Mutual Recognition Agreement with the EU.¹ In this context Turkey and Israel could develop as regional centres for testing and conformity assessment. In sectors where all countries in the region proceed to adopt EU standards there would be a corresponding reduction in technical barriers to trade within the region. Again the benefits of the adoption of EU standards would be enhanced if countries were to recognise the results of testing and conformity assessment from the regional centres mentioned above.

In sectors where the adoption of EU standards is not deemed to be relevant but where there is scope for intra-regional trade countries in the region could investigate the potential for mutual recognition of regional partners regulations and standards. This would be appropriate in products where the risk to consumers is relatively small and attitudes to that risk and the way that it is regulated are similar. In short, there would be considerable benefits from adopting a regional approach to the issue of technical rules and standards, based upon the adoption of EU standards for the key products exported to the EU and the development of regional centres of excellence for testing and conformity assessment.

4. Limited by rules: the role of rules of origin

We suspect that one of the key factors limiting the impact of free trade agreements with the EU on industrial development and growth in the Mediterranean is likely to be the rules of origin that the EU stipulates which act to constrain access to the EU market. Rules of origin are also at the heart of intra-regional integration between Mediterranean countries, both in terms of the impact of EU rules on trade between countries and the nature and resources being expended on negotiating rules of origin in free trade agreements between Mediterranean themselves. We now proceed to briefly outline the key issues regarding rules of origin before looking at specific aspects of the problem in the Mediterranean.

Rules of origin define the conditions that a product must satisfy to be deemed as originating in the country from which preferential access is being sought. The main justification for rules

¹ Provided that such an agreement does not contain rules of origin which restrict certification to domestically produced products.

of origin is to prevent trade deflection, whereby products from non-participating countries destined for say the EU market are redirected through free trade partners of the EU to avoid the payment of customs duties. Similar reasoning applies to the need for rules of origin in the EU's free trade partner. When products are produced in a single stage then the origin of the products should be relatively easy to establish. Proof that the product was produced in the free trade partner should be sufficient. For all other cases the rules of origin define the methods by which it can be ascertained that the product has undergone sufficient working or processing in the free trade partner to qualify for preferential access.

The specification of rules of origin has become particularly important in recent years as technological progress and globalisation have led to the increasing fragmentation of the production process into different stages or tasks which are undertaken in different locations. A number of general approaches to origin are available. The simplest way of defining origin is probably change of tariff heading, alternatively there can be rules relating to the amount of domestic value-added or to specific technical requirements that the product may satisfy.

In the EU's bilateral trade agreements the basic rule that it adopts is that of the change in tariff heading at the 4-digit level of the CN or HS. However, in a very large number of cases this basic rule is supplanted by often restrictive specific requirements. For example, with the basic rule of change in tariff heading a country which imports woven cotton fabric (HS 5208) to produce cotton shirts (610510) would satisfy the rule of origin and qualify for preferential reduction of the tariff on cotton shirts. However, in EU free trade agreements the change of tariff classification is replaced with a requirement that the product have been manufactured from Yarn. In effect this imposes the requirement that two stages of production must be undertaken in the partner or qualifying area to confer origin – not only the sewing together of the fabric but also the production of the fabric itself. Clothing products made in free trade partners of the EU but which are made-up of fabrics imported from third countries, such as China, will not satisfy the EU origin rules and will not qualify for tariff reduction.

Thus in EU trade agreements annexes specify, for listed products, requirements other than change in tariff classification. These other requirements can be a minimum percentage of local value added in the originating country, or a technical requirement which requires that the product undergoes specific manufacturing operations in the country. In general the value-

added criteria is very rarely applied, the specific requirements listed in the annex mainly define technical requirements. The technical requirements defined in the annexes are more specific and more restrictive than the change in tariff heading rule. In the case of textiles, clothing and footwear, the annexes never specify value-added requirements, and only lay down technical requirements. In a typical agreement, a change in tariff heading is sufficient to confer origin for only about 15 per cent of the textile product headings, while for the remaining 85 per cent of headings specific technical requirements to qualify for preferential access must be met.² In the case of clothing, typically for 95 per cent of the products categories the rules do not permit change of heading but require specific working and processing. Similarly for footwear, most of the products have to fulfil technical requirements.

Brenton and Manchin (2002) highlight that a substantial proportion of EU imports which are eligible for preferential access under the GSP do not receive preferential access to the EU. The rules of origin in the GSP are very similar to those in the EU's free trade agreements including those with the Central and Eastern European Countries – for example, to qualify for duty reductions, clothing products must be made from yarn. Further, they note that a substantial proportion of EU imports of clothing products from the Central and Eastern European countries enters the EU through an alternative customs scheme, known as outward processing trade (OPT), even though with duty free access there is no fiscal incentive to use this scheme. In the absence of alternative explanations they conclude that registering for OPT is a lower costs mechanism for ensuring duty free access to the EU than complying with the rules of origin. This suggests that, whilst on the one hand it is difficult to satisfy the precise requirements of EU rules of origin, it is also costly to meet the administrative requirements of proving origin. The costs of proving origin may exceed the benefits, in terms of duty reduction, of proving origin. We suspect that rules of origin cause Mediterranean exporters similar problems in gaining access to the EU markets, although it would appear that there is less scope for using OPT as a means of overcoming these problems.

Herin (1986) found that the costs for EFTA producers of proving origin led to one quarter of EFTA exports to the EU paying the applied most favoured nation (MFN) duties. The costs of proving origin may be even higher, and possibly prohibitive, in countries where customs

² The amount of trade covered by technical requirements will typically be higher since the weaker requirement of simply change of tariff heading will tend to apply to product headings where there is insignificant amounts of trade.

mechanisms are poorly developed. Thus, even when producers can satisfy the EU's rules of origin, in terms of meeting the technical requirements, they may not receive preferential access to the EU because the customs authorities do not accept their proof of origin or the costs of proving origin are high relative to the duty reduction that is available.

What can be done to attenuate the restrictiveness of the rules of origin that the Mediterranean countries have to satisfy to attain duty free access to the EU market. Cumulation of rules of origin is one mechanism that can be used in this context. Typically, agreements with the EU allow for bilateral cumulation with the EU so that originating inputs, that is materials which have been produced in accordance with the relevant rules of origin, imported from the EU qualify as originating materials when used in the partner country's exports to the EU. However, the EU is often not the least cost supplier of inputs and so the benefits of this type of cumulation are limited.³ Of greater relevance would be to allow diagonal cumulation on a regional basis so that qualifying materials from anywhere in the region could be used without undermining duty free access to the EU. In other words, parts and materials from anywhere in the region which qualify as originating could be used in the manufacture of a final product which could then be exported duty free to the EU. Finally, there can be full cumulation whereby any processing activities carried out in any participating country can be counted as qualifying content regardless of whether the processing is sufficient to confer originating status to the materials themselves.

Currently, the Barcelona process is seeking to establish a Euro-Med free trade area by 2010 with diagonal cumulation based upon the adoption of EU rules of origin throughout the region. This requirement of harmonisation with EU rules of origin is inevitably slowing down the pace of integration in the region. Harmonisation of rules of origin is not a necessary condition for the implementation of diagonal cumulation and indeed there are examples, such as the GSP, where the EU provides for limited regional cumulation without the necessity of harmonising rules of origin. Thus, the EU could quickly adopt a more liberal approach to rules of origin in the Mediterranean region by allowing for regional cumulation. This move in itself will provide an impetus to regional integration as producers in the Mediterranean

³ If the extra cost of using EU sourced inputs rather than the lowest cost inputs from elsewhere exceeds the available benefit from duty free access then cumulation will have no effect and there will be no improvement in market access.

countries search for regional sources of materials which will qualify for preferential treatment and will stimulate exports to the EU.

The Geography of Achieving Broad and Deep Integration in the Mediterranean.

How should the EU and countries in the Mediterranean region pursue this broadening, to cover agriculture and services, and deepening, to reduce the problems caused by different regulations and standards, of existing agreements and achieve effective integration with the EU and between countries in the region which actually delivers higher growth and prosperity.

Firstly, it is worth noting that the Barcelona group of countries are diverse and changing in terms of the nature of their relationships with the EU and amongst each other. For a start Cyprus and Malta will shortly be acceding to the EU. Secondly, and most importantly, Turkey whilst a member of the Barcelona group actually applies the common customs policy of the EU and, in principle, should be involved in the formulation of EU external trade policy in goods and certain services. In addition, Turkey is in the process of adopting a large amount of EU legislation. Of particular relevance here are the process of technical harmonisation and establishing the conditions for mutual recognition, the adoption of EU competition rules and planned negotiations on services. Israel too is placed in a special position in the region, in part because it is economically more advanced and in a number of ways has regulatory structures similar to those of the EU. As a result participation in the EEA is one possible route for further integration with the EU.

Turkey at present appears to be a dislocated part of the EU trade policy hub relative to the Mediterranean spokes. Turkey applies the common trade policy in goods but plays little or no role in defining that policy. Peers (1998?) argues that 'Turkey cannot affect the revision or negotiation of new trade agreements, and is explicitly excluded from consultation when the EU adopts trade policy measures against third states—even though the Decision suggests that the EC and Turkey should attempt to act in tandem on such measures'.⁴

The marginalisation of Turkey in defining and implementing EU commercial policies in the Mediterranean is a major weakness of the current Barcelona process. Mechanisms should be found which strengthen the role of Turkey as a regional economic hub, offsetting to some

⁴ The Decision is Decision 1/95 of the EC-Turkey Association Council which created the EC-Turkey Customs Union.

extent the single hub and spoke centred on the EU, and as a force for modernisation in the region through the increasing adoption of EU technical regulations and standards. This is likely to entail, however, an accentuation of sub-regionalism in the Mediterranean with Turkey being the focus of an increasing drive towards liberalisation in the Mashreq with the Maghreb countries still focused on the Southern EU. This tendency could be offset to some extent if the EU were to allow for diagonal cumulation of rules of origin throughout the whole of the Mediterranean region.

Efforts towards increasingly deep integration in the eastern Mediterranean region could revolve around Turkey and Israel⁵ becoming regional focal points for testing and conformity assessment for products being sold both in the EU and within the Mediterranean region. Products produced in regional neighbours would, provided the EU does not impose rules of origin, be able to be tested for conformity with EU rules in Turkey or Israel and not require further testing in the EU. This could, in principle, apply to sanitary and phytosanitary regulations as well as regulations governing health and safety of consumer and industrial goods.

Whilst on the issue of sub-regionalism there is also a need to consider the Gulf Cooperation Council (GCC) in this process of regional integration. The EU and the GCC have recently restarted their discussions concerning an EU-GCC free trade agreement. In this context and with the importance of the GCC it would be useful to consider the gains from including the GCC in the Barcelona process particularly a process which revolves around Turkey becoming a centre and leading player in the modernisation and integration of the eastern Mediterranean region.

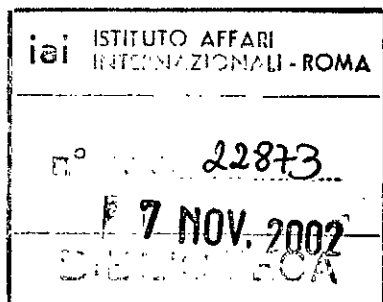
Thus, the overall goal of the revitalised Barcelona process should be the integration of all countries in the region into the European wide economic space that is being constructed which will include the current EU members, the Central and Eastern European countries, the countries of the Balkans, the EFTA countries and Northern European countries including Russia and Ukraine. This will be an economic space based upon similar approaches to standards and conformity assessment for industrial goods and agricultural products and similar regulatory approaches to establishment and the provision of services. This in turn will

⁵ If Israel joins the EEA or a Mutual Recognition Agreement is negotiated with the EU

further stimulate the creation of European-wide production networks across the whole of the region. The inclusion of Mediterranean countries in such an area will require substantial changes in economic policies with an emphasis on harmonisation with EU rules and regulations and the liberalisation of sectors, particular services, which have previously been excluded from integration initiatives in the region.

This process of adaptation should commence immediately. There are also a number of policy measures that can be taken quickly to enhance and support the process of integration between the EU and the Mediterranean and within the region itself. Firstly, there is a need to liberalise trade in agricultural products. Secondly, there should be concerted attempts throughout the region to modernise regulations relating to sanitary and phytosanitary standards, with appropriate support from the EU. Thirdly, for industrial goods, countries in the region should quickly adopt EU regulations for key products exported to the EU. The EU should move quickly to negotiate and support agreements on mutual recognition of testing and conformity assessment in Turkey and Israel, without rules of origin. Fourthly, the EU should allow for diagonal cumulation of rules of origin throughout the region. If this is not deemed to be politically feasible then the EU should allow for the simplification or derogation from restrictive rules of origin on key products in Mediterranean countries' exports to the EU, such as clothing products.

Conclusions



The European Union and Democracy in the Arab-Muslim World

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A distinctive element in Middle Eastern developments in recent years has been the region's resistance to the gradually accumulating 'third wave' of democratization. This engenders important security-related questions, in the context of the EU's commitment to invest greater effort in promoting human rights and democratic norms. The centrality of such considerations is further compounded by evolving perspectives on democracy's value as a stability-enhancing and conflict-mitigating concept. This paper seeks to address this nexus of issues, with the aim of suggesting how EU efforts in the field of democracy and human rights in North Africa and the Middle East might best be strengthened. The paper commences with an overview of political developments in the Arab states of the Euro-Mediterranean Partnership, then explores debates over the likely impact of any prospective democratization in the region. The EU's general approach to political change in North Africa and the Middle East is then analyzed, and finally, an outline is offered of European democracy and human rights initiatives funded in the Mediterranean since the mid 1990s. The paper concludes by proposing a number of ways in which EU policies for encouraging political reform in the southern Mediterranean should be improved.

Arab Politics: Variety and Commonality

Some movement towards greater democracy in North Africa and the Middle East was witnessed at the end of the 1980s, as economic reforms engendered pressure for political reform. This did not develop, however, into sustained political liberalization. The region exhibits much variety in the respective forms of legitimacy underpinning incumbent regimes, these ranging from distinct forms of mass movement, secular nationalism to religiously infused monarchical authority. Behind the different forms of historical state-formation, however, common factors pertain across the region. The significant powers retained by militaries have been justified and legitimized by reference to the Arab-Israeli conflict. The economic structures of the 'rentier state' have undermined the processes through which economic modernization increases the need for state revenues and thus engenders calls for greater popular control over the exercise of public administration. The North Africa and Middle East region is often cited as the most notable exception to the general statistical relationship between levels of economic development and democracy.¹ Even Gulf Arab states have introduced more significant political reforms than most of the EU's EMP partners. Arguably most significantly, of course, the perceived threat of political Islam has been used to justify political immobilism across the region. Hence, a balance between common and divergent factors can be witnessed across the different states of the southern Mediterranean.

Morocco has been routinely presented as the region's most reformist state. Incremental human rights improvements under King Hassan II culminated in the inception of a directly elected bicameral parliament in 1996, and in 1998 the coming to power of a coalition government presided over by opposition leader Abderrahmane Youssoufi. When Mohammed VI succeeded to the throne in 1999 further human rights measures were implemented. Prominent political prisoners were released, including Islamist leader Abesselam Yassine, and dissidents such as Abraham Serfaty and the family of Mehdi ben Barka were allowed to return from exile. Perhaps most audaciously, the young king removed hard line interior minister Driss Basri, orchestrator of so much repression under Hassan.

Gradually, however, Mohammed's initial momentum of reform has stagnated and in some areas reversed. The Palace has retained tight control over key ministries and cabinet appointments. The regime's new anti-corruption campaign has been a highly personalized initiative of the King, aimed more at strengthening the latter's legitimacy than embedding a widely institutionalized rule of law. The power of the shadowy *Makhzan* has not been fundamentally undermined. There have been a number of high profile cases of journalistic freedoms being reined back and, in the wake of large scale protests against the government's planned widening of women's rights, an increasing number of demonstrations have been banned. Only officially sanctioned Islamist groups have been allowed into the political process; Yassine's Justice and Solidarity has not been allowed full political participation. The government is a coalition of formerly opposition parties, but 'consensus' is still the leitmotif, with little programmatic political competition; most observers see the principle of 'alternance' government as having co-opted opposition forces to support the basic parameters of monarchical rule. That is, critics argue that opposition forces have been stifled within a pacted process, exchanging limited political

participation in return for acquiescing to and bolstering the basic premises of the Palace's dominance. The elections now approaching are seen as a big test for the prospects of political reform in Morocco.

Jordan was the region's other notable liberalizer. In 1989 King Hussein allowed the first parliamentary elections for nearly thirty years, emergency rule was ended, freedom of speech and association provisions were expanded and a number of political parties were legalized. By the mid-1990s, however, progress beyond partial reform had failed to materialize in Jordan. The electoral law was redrawn specifically to work to the disadvantage of the Islamist opposition. Unrest associated with Hussein's 1994 peace deal with Israel encouraged many parties to boycott the 1997 elections, and restrictions were gradually re-imposed on press and associational freedoms. Under King Abdullah democratic political space has further narrowed. Prominent deputies were pushed out of parliament in 2001 for criticizing the regime. Elections were postponed in 2001, with Islamists threatening to emerge in a strong position, and parliament was dissolved. The new king has had increasing recourse to decrees and imposed new restrictions on civil liberties and free speech. Demonstrations have been dramatically curtailed. The judiciary's effective independence has also dissipated. These measures have resulted from the growing unrest against Israel, an 'anti-normalization' movement critical of the regime's peace treaty with Israel being targeted particularly harshly by the regime. At the end of July, the Amman office of Al-Jazeera television was closed down. With the focus primarily on curtailing Hamas and other critical activities, Abdullah has appeared driven by an even more strongly security oriented outlook than his father.

Egypt has failed to exhibit even such limited political liberalization. Executive powers derived from the continuation of emergency martial law were further strengthened during the 1990s and there was an increasingly systematic use of military tribunals. President Mubarak's National Democratic Party (NPD) has remained overwhelmingly dominant in parliament and the emergence of any effectively autonomous opposition political parties has been obstructed. The non-violent Muslim Brotherhood and the Gamaat Islamiya (Islamic Group) have remained banned, while the government took firmer control over professional associations, syndicates and even village councils following a number of Islamist victories in elections to these bodies. A growth in civil society activity resulted in a new 1999 law restricting independent NGO activity; this denied official registration to, for example, the prominent Egyptian Organization for Human Rights. Many have pointed to the Supreme Court's assumption of a more forceful role, for example when it obliged the government to rerun elections to allow for adequate judicial supervision; these elections in 2000 were not, however, declared free and fair and simply reinforced the regime's political dominance. Another, even tighter law on associations was brought forward in 2002, with further restrictions of NGOs' ability freely to receive foreign funding and even more governmental discretion to prevent these organizations engaging in political activity. Over 2002, an informal tolerance of Gamaat Islamiya has diminished and much attention has recently been given to the detention of Egypt's most internationally known civil society activist, Saad Eddin Ibrahim.

Tunisia has experienced an even more marked decline in political freedoms, since President Bin Ali's initial commitment to liberalization at the end of the 1980s. A particularly notable tactic in Tunisia has been the use of government-created civil society groups to mirror and neutralize genuine NGOs: the resultant growth of Tunisian 'GONGOS' has ensured that civil society has functioned to implement and disseminate regime policies. As in Egypt, the regime has tightened its control over syndicate and professional association elections. Tunisia has, it is suggested, moved merely from single party rule to a de facto ruling party hegemony. Tunisian politics are also distinguished by the extent of bureaucratic-corporatism, this serving a further embedding of regime power. The ruling RCD (Democratic Constitutional Rally) has perfected such mechanisms of party-state fusion. Political opposition that has been allowed has been handpicked to exclude real opponents, and thus has constituted a merely symbolic form of political competition. The main Islamist group al-Nahdah remains banned. Bin Ali is held to have successfully marginalized the issue of democracy in favour of generating a supposedly unity-enhancing Tunisian 'ethnonationalism'.²

Syria has on most counts remained the region's most closed political system. Virtually no freedom of association or assembly has been granted. After Bashar Assad succeeded his father, there appeared to be some loosening of central control during 2001, but this was soon reined back as hard-liners in the Baath party regained pre-eminence. The government immediately became nervous over the new civil society forums that sprung up in anticipation of Bashar implementing further reforms. Press freedoms momentarily widened, but were then also constricted again. The military retains de facto control in Syria, under emergency law. Syria's effective control over *Lebanon* has also deprived the latter of the

basic territorial integrity prerequisite to democratization. All key appointments in Lebanon are in effect sanctioned by Syria, while Hezbollah is allowed to run the south of the country with considerable impunity. *Libya* is still dominated by heavily personalized rule, with few of even the basic institutional prerequisites to incremental liberalization existing. Some analysts have pointed to the complex system of consultative committees in operation, but these in practice wield little influence. In 2000, Q'adafi dismantled a number of ministries, transferring power to local allies. Autonomous civil society organizations are not permitted, and political parties and the Islamic Group are prohibited.

Algeria witnessed one of the most spectacular and widely quoted democratic reversals in the world, when the army revoked elections in 1991 after the Islamic Salvation Front (FIS) emerged victorious from a first round ballot. From 1995, the government commenced what was presented as a renewed process of democratization, but most observers argue this has not permitted any meaningful political liberalization. Indeed, a new constitution strengthened presidential powers, while Islamist opposition groups remained banned from political activity. Control over the media has not loosened, while the NGO sector has also remained heavily controlled. In the 1999 presidential elections only military approved candidates were able to declare themselves, with the military's obvious favourite, Abdelaziz Bouteflika, being elected after all other candidates withdrew. Under Bouteflika's Civil Concord the Islamic Salvation Army (AIS) disbanded and took advantage of an amnesty offered by the government. The Armed Islamic Group (GIA), in contrast, actually stepped up its violent actions. The FIS's peace agreement with the government has not led to it being allowed to reengage in political activity. Interpretations differ in how charitably they view Bouteflika: in combat with army hardliners to advance human rights; or himself tightening control and increasingly unwilling to contemplate the sorts of political reforms that were part of his electoral commitments in 1999. Legislative elections in 2002 produced a victory for the restored National Liberation Front (FLN), in a context of continuing restrictions on genuine party competition. More recently attention has focused on unrest among Algeria's Kabyles, this indicating an apparent widening of economic and social protest. Huge demonstrations in favour of democracy in 2001 were met with considerable police repression and further demonstrations were banned, although the government did intimate some concessions on Berber rights.

The *Palestinian Authority* is widely acknowledged to have developed into an increasingly corrupt and repressive governing entity since the first national elections held in 1996. Power has been increasingly monopolized by Arafat and his entourage. Judging degrees of democracy in the PA is, however, difficult and not comparable to other regimes: Arafat's power is actually still highly circumscribed, with the PA leader lacking the full range of sovereign powers and holding a portfolio of responsibilities more like of that of a local governor. This is further complicated by the issue of citizenship rights, with such a large proportion of Palestinians outside the Occupied Territories. An underlying difficulty can be identified of PLO factions transforming from national liberation movement to democratic-type political parties operating in a freely competitive context. Gradually, a split has become apparent between the PLO old guard and younger politicians more focused on the need for political liberalization.

Democracy: the Risks and the Benefits

Since the early 1990s, a reworking of realist theories has engendered debate over the impact of democratic systems on conflict and instability. Copious amounts have been written on the 'democratic peace' hypothesis, demonstrating that democracies are less prone to engage in international conflict and that peace achieved through containment and deterrence has generally proved unstable, requiring massive military advantage to be maintained.³ Culturally, democracies are seen as naturally inclined to seek to externalize norms of tolerance and compromise. It has been shown that democracies are more amenable to dispute resolution efforts of third parties because of their own internally in-built norms of compromise.⁴ Democracies respond firmly to threats, but are less inclined to initiate conflict than non-democracies, being more likely to appreciate how effectively to pursue their interests without resorting to force. In addition, democratic leaders are more constrained by conflict-averse electorates. Democracies also have a higher propensity to engage in trade and their consequent embeddedness in economic interdependencies. It has been suggested that even partial, still-developing democracies are likely to be more peaceable than autocracies and that fears over the destabilizing effects of initiating democratic change do not provide a justified argument in favour of non-democracy.⁵

Democracy has also been widely lauded as the system most suited to the management of *internal* conflict. Democratic procedures, it is argued, are predicated on compromise and, through political parties and civil society channels, the peaceful articulation of grievances. The constant bargaining and cross cutting patterns of associative activity that characterize democratic politics help produce pacifying moderation. It has been increasingly asserted that authoritarianism can do no more than suppress civil conflicts, and not fashion peace in any positive or durable sense. The concept of power sharing democracy has been widely advocated as particularly well suited to conflict scenarios, this favouring group, over individual rights, through stipulated representation for minority groups, group vetoes, devolution, proportionality and coalition government.⁶ It was suggested that this form of democracy was already helping reduce ethnic conflict by the late 1990s⁷.

Many analysts have, however, expressed scepticism over democracy's supposed virtues. It has been argued that security is still primarily a question of the structure of the international system and that interference in domestic political systems can only produce instability.⁸ Transitions from authoritarianism to democracy have in many states been periods of great instability, as new coalitions constantly shift and the frustration of newly raised expectations feeds into growing support for nationalist platforms.⁹ It is not clear that public opinion is highly conflict-averse: indeed, wars often manifestly win elections for democratic politicians. Democratic leaders may actually be more disposed to play up external tensions to divert attention from the domestic constraints they face, where authoritarian leaders would suppress rather than externalize internal pressures.¹⁰ Wealthy, Western democracies might not have gone to war with each other, but it would be wrong to extrapolate from this that poorer, more turbulent societies would become more peaceable through democratization, where conflict over resources is so much more acute.¹¹ Even those sympathetic to broadening a realist-influenced perspective on security caution that 'it simply is not clear what political structure would best serve' stability in developing regions.¹² Typically, much quantitative work has concluded that even though democracy has often had a positive effect, this has been only as one amongst many variables, including alliances.¹³ Influential work directly critical of realism's focus on defensive military capacity has itself advocated a security doctrine based on the spread of 'mutual reassurance', through military cooperation and information sharing, that transcends differences in political systems.¹⁴

The notion of power sharing democracy has been criticized for institutionalizing representation based on ethnicity and encouraging ethnic leaders actually to resort even more strongly to nationalist sentiment. Far from ensuring a helpful balance between stability and civic participation, some argue that forms of partial democracy have been the most conflict prone of political systems, possessing neither the capacity of authoritarianism to repress violence *nor* the unhindered and effective opportunities for the peaceful articulation of grievances of high quality democracies.¹⁵ One increasingly prevalent view has been to suggest that stability-inducing stability requires impartial and autonomous processes and institutions, but not necessarily a wholesale Western democratic model. Indeed, by virtue of being 'context-sensitive', these are likely to succeed better than externally deigned models that, according to some analysts, risk merely widening the 'boundaries' between different ethnic and social groups. Stability-inducing 'good politics' is a matter of increasing trust and participation across civil society through a variety of different forms, not about rigidly implanting preordained systems.¹⁶

This general debate over democracy has particular ramifications in the Arab-Muslim world. In accordance with the long-prevailing perspective towards the southern Mediterranean region, many still express concern over what they see as Islamists' instinctively hostile to the West and Western values. In line with this reasoning, democratization would still constitute a danger to European and other Western states. It would simply allow and breed further antagonism against the West, and anyway be short-lived: whatever their current rhetoric to the contrary, Islamists would be likely to use elections as an expedient route to gain power, before consolidating their position through a reversion to more autocratic rule. Sceptics have, for instance, detected a growth of radical Islamism in Morocco as political space has widened in the kingdom. Political pluralism could also unleash even greater flows of migrants, as people fled from increasingly intolerant Islamist rule. New governments would, it is held, be far less amenable than current regimes to making progress on arms control and security cooperation. And, most dramatically of course, political liberalization would be widely expected to give greater voice and influence to a pool of resentment towards the Oslo peace process.¹⁷

This pessimism has been increasingly discredited. Many have focused more on the potential benefits of democratization in the Arab world. It has been increasingly asserted that Arab resentment against

Europe has resulted in large measure from the latter's support for authoritarian regimes that have suppressed growing pressure from Mediterranean populations for greater freedoms and individual rights. Democracy has been advocated as a means of easing migration and instability, and of furthering economic modernization. Political liberalization might also benefit commercial interests, helping to overcome unpredictable and arbitrary decision-making; the limited dispersal of technical market-related policymaking capacity; the absence of broad-based alliances behind reforms; the paucity of reliable and good quality information and statistics; and the limited cooperation between the different Mediterranean economies that has restricted effective market size for international investors far more than in other developing regions. Some Islamist groups have become more moderate, particularly in Egypt, where the Islamic Group called a ceasefire in 1999 and a further deradicalization has been evident since the September 11 attacks. Despite this, and the apparently smooth – if limited and carefully controlled – participation of officially sanctioned Islamist parties in government in Morocco, Jordan and Lebanon, regimes have not widened the scope for Islamists' political participation in any significant way¹⁸.

Much evidence might be cited to demonstrate that authoritarianism has not been a successful guarantor of European interests. Even in moderate Jordan, membership of Islamist organizations has risen dramatically since the late 1990s. In Egypt, Mubarak has found himself increasingly obliged to stoke up anti-Western feeling in order to bolster his own Islamist credentials and distract attention from unrest over domestic social and economic conditions. Syria's overbearing control of Lebanon has quite palpably bred more acute religious factionalism. Violence in Kabilya made it clear during 2002 that Algeria could no longer be viewed as suffering simply a contest between regime and Islamist radicals, but was rather increasingly rocked by widespread unrest over the lack of political opening. It is now clearer than at any time since the end of the Cold War that the West's support for incumbent Arab regimes has not secured firm alliances, with all states in the region – even Jordan – strongly against the prospective invasion of Iraq: when the West has sought to 'call in' support for its most pressing strategic challenge, far more opposition and resistance has been evident than at the beginning of the 1990s.

The 11 September attacks lead to much reassessment of the way that issues of political reform and alliances had been handled in the Muslim world. For many, the attacks demonstrated that support for autocratic Arab regimes, coupled with a limited discourse on human rights, had not produced a stable strategic balance. Nominally pro-Western regimes across North Africa and the Middle East, and from Saudi Arabia to Pakistan had increasingly funded *madrasas* turning out a highly puritanical brand of Islam. Contrary to the West's hope that these regimes could suppress anti-peace process pressure from society, many had been glad to foster this as a means of detracting attention from their own lack of legitimacy.¹⁹ Indeed, across a whole variety of issues Arab regimes are seen as having had to play increasingly to domestic Islamist opinion precisely because of their lack of democratic legitimacy. It was suggested that Arab regimes supported by the West 'have increasingly felt obliged to bite the hand that feeds them'.²⁰

It is, of course, in the Palestinian Territories that the destabilizing impact of corrupt and opaque rule has become most dramatically apparent. Hamas is widely seen as having risen to prominence through providing the kind of local level social benefits that the Palestinian Authority has failed to provide. The contrast between the fate of ordinary Palestinians still confined to camps and the personal enrichment of PA executive members has engendered increasing frustration. The key problem has been that the PA has lacked the credibility and popular legitimacy to sustain any clampdown against suicide bombers after each periodic rounding up of suspects. The weakness of civil society around concrete development organization has left a vacuum of democratic pressure. Many would argue that attempts to crush Islamist organizations have merely radicalized these groups, and that the latter need to be brought fully into decision-making through genuine democratization. Debate is still structured around the notion of a national movement for sovereign identity struggling against Israeli hindrance and this has stifled civic awareness of democratic process. To the extent that the PLO's legitimacy is integrally tied to the struggle for independence, the granting of a fully sovereign Palestinian state would, optimists suggest, clear the way for a more stable form of social debate and activism based around democratic values; trying to sideline the PLO before the creation of a state works against this grain, rendering the prospect of democratic stabilization more distant. Much recent comment has cautioned that the current situation in the Occupied Territories presents one of the clearest cases of precipitously held elections further aggravating ongoing conflict; yet it might alternatively be argued that it is also

precisely the sort of case where delays in elections and a failure to disperse power has contributed significantly to instability.

A key question that flows from such trends is what degree of political reform might be most propitious. While acknowledging the stabilizing potential of political liberalization, many analysts have cautioned that change should be built around local institutional forms. Many have advocated an encouragement of a general spirit and awareness of human rights norms without the West seeking to transplant wholesale democratic systems. Islam might best be made more moderate around an Arab form of quasi-democracy, predicated on traditional organizations such as the mosque, the neighbourhood or village, the tribe, professional associations and syndicates, rather than Western style civil society groups. Notably, relatively technical good governance measures have often been advocated in order to secure cleaner, less arbitrary and less corrupt government, these held to be of far greater concern to citizens than Western-style liberal democracy.²¹ A bit further along this continuum, many have argued that the key is to improve respect for basic rights so as actually further to stabilize incumbent regimes. This was advocated specifically after September 11: a limited improvement in rights as a means of helping to head off full democracy.²²

Another expression of this middle position has been seen in developmental-oriented thinking, as expressed for instance in the UN's first human development report specifically on the Arab world: this argues primarily in favour of the developmental value of political reform, stressing the need for a form of governance that most 'empowers the poor' and improves individual capabilities for development. At the same time, the target of its opprobrium seems in large part directed away from local political elites. Limited positive political changes are welcomed as appropriate, the benefit of these seen as hampered mainly by poverty and social inequities. Opposition parties are berated for choosing not to contest (what most would judge to be highly compromised) elections; and the UN's strongest criticism is reserved for civil society organizations themselves for lacking internal democracy, being confrontational and failing to develop a strong social base.

In fact, more than ever it appeared essential to recognize that neither extreme in the debate was entirely convincing. Problems and prevailing attitudes were reducible neither to intrinsic features of Islam, nor to social and economic grievances. Rather the central issue was the way in which Islam was capable of being read within a particular economic, social and political context. These two elements should be viewed as conditioning each other: social conditions effect interpretations of Islam; such readings of Islam in turn effect the evolution of these same economic and social conditions. In some senses, after September 11, it seemed as if democracy was more necessary, in a context in which there was increasingly more limited room for manoeuvre in pressing for it.

The European Rationale

Most Middle and North African regimes and dynasties were, of course, at their inception expressly mandated by departing colonial powers. The resultant networks of 'client state' relationships were subsequently maintained through the Cold War. The EU's Renovated Mediterranean Policy (RMP), adopted in December 1990, was aimed at rebuilding alliances after the Gulf War and rewarding those regimes that had offered support in the campaign against Iraq. Egypt was particularly well supported in this regard. As a whole, the southern Mediterranean basin received a disproportionately generous increase in European aid during the early 1990s. Between 1991-5, the proportion of EC aid allocated to the Mediterranean increased from 11.8 per cent to 12.7 per cent – this contrary to predictions that the EU's new focus on Eastern Europe would lead to a downgrading of support for Arab states. Notwithstanding this, human rights considerations began slowly to surface. Human rights clauses were introduced in new Association Agreement negotiations with Israel, Morocco and Tunisia. The European Parliament withheld assent for the new Fourth Protocol aid allocated for Morocco and Syria on human rights grounds in 1991. After pressure from European governments, however, the EP then released these funds; indeed, in general, the human rights dimension to EU policy remained less prominent in North Africa and the Middle East than elsewhere.

The Barcelona declaration formally enshrined a commitment to foster 'political pluralism' – while also asserting the virtues of non-intervention and the right of each partner 'to choose and freely develop its own political, socio-cultural, economic and judicial systems'. European policy-makers insisted that this new commitment reflected a genuine reassessment of European interests in the region. They argued

that the EMP was designed to enhance strategic stability through an inclusive framework of wide-ranging cooperation and deeply embedded collective security regime. More assertively than hitherto, it was acknowledged that EU security concerns could not be resolved in a sustainable manner through unconditional support for the region's nominally pro-Western authoritarian regimes. The 'clash of civilizations' thesis was robustly and frequently rejected in EU statements and documents. Authoritarian governments were recognized as the source of regional conflicts, nationalism, and increasing anti-Western radicalism. They had, it was argued, also been bad for Western investment, restricting the gains of economic modernization to a small group of elite supporters.

Most observers have remained unconvinced that European intentions have in practice changed. They attribute to the EU a more defensive approach, favouring a logic of strategic containment over efforts proactively to attack the underlying political causes of instability. The persistence of this traditional perspective has, it is argued, relegated concerns over human rights and democracy to the status of empty rhetoric and encouraged further active support for dictatorships across North Africa and the Middle East. This policy continuity is held to betray an uncompromising view on political Islam, the determination to suppress the latter outweighing any general desire to see political liberalization.²³

Many aspects of European policy might appear to corroborate such assessments. A primacy of defensive-containment was most notably implied by the creation of the Eurofor and Euromarfor forces in the mid-1990s. Several EU member states have invested heavily in developing missile defence systems specifically designed to rebut threats from the Mediterranean.²⁴ Cooperation between armed forces and law enforcement agencies has been pursued under the political volet of the EMP. Policymakers acknowledge that securing Mediterranean partners' adherence to international arms control agreements has received far more diplomatic attention and effort than issues of political reform.²⁵ Most high profile, of course, immigration policies have been tightened, pressure exerted for Mediterranean states to readmit ejected migrants, and huge amounts spent on new border control systems.²⁶

Relative to these policies, European efforts in the field of democracy and human rights have been modest. The EU has sought to enhance 'democratic capacity' and widen support for democratic values, without exerting strongly coercive pressure on incumbent regimes. The declared aim has been to improve the long-term prospects for democracy without engendering short-term stability.²⁷ The EMP's incorporation of human rights has been conceived as a means of entrapping Mediterranean partners in a process where their nominal commitment to political reform might increasingly oblige regimes to implement real change. EU governments insist that they are both committed and cautious in respect of political change in the Arab world; hence the reliance of soft power and peer pressure. The aim has been to establish trust and a momentum of reciprocal compromise through co-operation in the sphere of 'low-politics'. Pressure for political change has increased, but in a context where a premium is placed on maintaining high-level diplomatic process.

It is self-evidently the case that coercion and conditionality have not been favoured as policy instruments. The EU has engineered no direct, frontal assault on the region's non-democratic regimes. By far the main concern has been with ensuring that domestic developments remain as conducive as possible to the Middle East peace process. This has ensured continuing timidity towards, in particular, Mubarak and King Abdullah. Policy makers acknowledge that threats of concrete punitive measures have not been systematically made within the EMP's new political dialogue. Compared with other developing regions, the relative absence of CFSP statements criticizing developments in the Mediterranean is striking. The EU has been keen to emphasize positive signs in political developments, especially in the case of Mohammed VI's reforms in Morocco and initial signs of movement from Abdullah and Bashar Assad. Arms sales to the region have increased. Little serious consideration has been given to aid or trade provisions being suspended on political grounds. The Italian, French and Spanish governments in power during the latter years of the 1990s if anything rowed further back from exerting pressure than their predecessors.²⁸ The EU's Common Strategy for the Mediterranean, agreed in 2000, shied away from ratcheting up human rights and democracy policy; not least because of southern states' fear of being outvoted in new majority voting provisions on more critical measures against Arab states.

In contrast, European governments have held back economic reform aid where market adjustment commitments have not been implemented. Indeed, policy makers acknowledge that the toughest politically-related pressure has been exerted in relation to specific cases of corruption or judicial

blockages suffered by individual European companies²⁹. Far firmer pressure has been applied to the issues of cannabis production, environmental cooperation and birth control programmes. Compared with these aspects of the 'new security agenda', political reform has been encouraged in a far more indirect, second order fashion. Where political concerns have been pressed it has been in relation to individual human rights cases – and in particular the detention of prominent democracy activists. This has been done within bilateral association councils so as not to infect broader regional relations – this singling out of particular states sitting uneasily with the supposed logic of regionalizing shared democratic and human rights identities. Many EU states specifically and forcefully distinguish between issues such as torture or women's rights and trying to export a wholesale model of democratic political organization.³⁰

European governments have remained cautious in their dialogue with Islamist opposition forces. No significant common EU line has emerged on this question. Contacts with Islamists have been ad hoc, secretive and pursued nationally, with little information shared at the European level. Assessments of the appropriateness of engaging in such dialogue differ widely between different policy makers, often even within the same member state or institution. There has been no concerted EU pressure for Mediterranean governments to cede greater political space for more moderate Islamist groups. Indeed, on this issue the most notable developments have related to new laws tightening space for the activities of Islamist exiles in European states – the extent of such provisions in the UK and France being particularly notable. Protestations at detentions of Islamists have been rather less forceful than the attention given to cases involving more Western-style civil society figures, such as Saad Eddin Ibrahim: an imbalance that has not gone unnoticed in Arab societies.

A more charitable view of European policy might, however, also be possible. A softer and more implicit form of conditionality was reflected in the fact that, while funds channeled to the Mediterranean through the Commission increased dramatically, national aid to the region did not become significant. Both Spain and Italy reduced aid to North Africa. The Mediterranean was one of the lowest recipient regions of German aid, while the UK and the Netherlands also gave negligible amounts. Garnering a clear, single logic from European aid flows to the region is in fact difficult. The new MEDA funds still rendered Mediterranean policy the EU's most significant deviance from rewards-based conditionality. Over half the region's aid receipts in the mid-1990s came from the French government, which did not reduce flows.

Morocco and Egypt became two of the biggest recipients of Commission aid anywhere in the world. Disproportionately generous amounts of MEDA funding went to democracy-backsliding Tunisia; yet Syria's political atrophy was one factor cited to explain this country's failure to attract any significant aid funding either from the Commission or member states. Morocco was rewarded with new funds after 1999, notably becoming Spain's single largest aid recipient: increases that might be decried as insufficient reward for Morocco being the region's star political reformer; or that might be questioned for being forwarded in a context where signals over the kingdom's ultimate political direction remained at best confused. Mohammed VI's reopening of the issue of Morocco's eligibility to join the EU required consideration of just how far states might be rewarded for adopting European style political and economic systems. A key factor here is how the region's relative reformers have increasingly expressed exasperation that European funding remains so heavily oriented towards non-liberalizing Egypt, this raised by other Arab states themselves to question the EU's genuine commitment to helping reform efforts. While the US has begun to wind down its aid allocations to Cairo, similar trends have not taken shape in the EU. Indeed, in its new 2002 strategy, the EU rather charitably opined that in Egypt there had been 'more progress than is apparent on the surface' and that the 2000 elections had been the fairest for a generation.³¹

Pressures have been more readily applied as the ratification of agreements have enabled bilateral association councils formally to commence – this in most cases having had to await lengthy parliamentary procedures that delayed progress until recently. In several negotiations debate over the human rights clause has been one point of conflict, but the EU has firmly insisted on Arab regimes signing up to standard wording without desired references to Muslim 'specificities'. French and Spanish policies did not become overtly critical towards North African regimes, but they did gradually offer less explicit support to the latter.³² Southern Mediterranean states have certainly viewed the EMP's new discourse on democracy with great concern, perceiving the EU's insistence on constructing a new partnership around such values as potentially constraining to future actions. While often appearing ambivalent on the Islamist issue, the EU has unequivocally supported the modest openings

offered to Islamist groups in Morocco and Jordan. As in other areas, differences remained between member states. Southern states have been less convinced of the democracy promotion commitment. Their security doctrines did evolve, but were still more cautious and alliance-oriented. The Commission has also been opposed to political conditionality being attached to economic restructuring assistance.³³ Conversely, some predict a greater degree of Europeanization in security perspectives as immigration develops into a common European issue.

Formal proposals for the human rights clause to be invoked have been considered recently in two cases. First, Israel, where a majority of states have declared themselves in favour of the EU-Israeli association agreement being suspended, but where Germany, the UK and the Netherlands have remained reticent – notably, here France's active support for suspension contrasts with its influential voice resisting other states' advocacy of punitive measures against some Arab states, this throwing into sharper relief Paris' subordination of democracy to other foreign policy criteria. In practice, of course, the EU has even continually put off firm action against Israeli labeling of goods from the Occupied Territories, supposedly not eligible for tariff preferences under the EU-Israeli association agreement. The second, case has been Tunisia, where Bin Ali's resistance to human rights dialogue and increasingly repressive measures against domestic opponents has led the EU to exert tougher pressure. This is the case where MEPs have called most insistently for aid and trade provisions to be suspended due to increasing human rights abuses³⁴. While this has still not happened, the degree of diplomatic criticism of Bin Ali has been ratcheted up and aid allocations reduced. This might be explained by a combination of, on the one hand, Tunisia being perhaps the least important state in the region in strategic terms and, on the other hand, this being a case where trends are judged to have declined below a certain threshold of 'nastiness'.

Increasingly, policymakers protest a realization that a modest focus on human rights actually offers a more feasible strategic purchase over southern Mediterranean states in a context where traditional security cooperation and approaches have resoundingly proved to be the least fruitful area of engagement. It is the defensive-containment component of European policy that has been most frustrated by the impasse in the Middle East peace process. All meaningful security initiatives have been blocked by Arab states. The Charter for Peace and Stability was by 2002 still not agreed and its proposed text anyway progressively gradually diluted the late 1990s. EMP conflict prevention networks and initiatives have amounted to little. Prospective Confidence Building Measures (CBMs) have been watered down and replaced by the weaker concept of Partnership Building Measures. Arab states have blocked European proposals for military CBMs. The kind of measures pertaining in Eastern Europe under the OSCE or Conventional Forces in Europe treaty to increase transparency in and limits to the build up of heavy weapons have not proved feasible in the Mediterranean.³⁵ The aim of incorporating a strengthened version of the UN Register of Conventional Armaments into the EMP has also been frustrated, with Mediterranean partners holding back the relevant information. More specific EU proposals – for Mediterranean-wide mediation mechanisms or joint peacekeeping operations – have also not prospered. The paucity of successful hard security cooperation in the Mediterranean relative to other regions where the EU has pursued 'collective security regime' designs might suggest the *greater* importance of addressing strategic concerns through the democracy agenda.

Algeria has been regularly cited as the most evident case of European passivity on the issue of political reform. The common presumption is that since the revocation of the 1991 elections, the EU – influenced most strongly by France's specific concerns – has focused entirely on the need to suppress the political ascendancy of the FIS. Even in Algeria, however, EU policy has evolved, albeit modestly. ~~European strictures on democracy have increased, encouragement was given for the limited renewal of democratic reform after 1995,~~ Algeria has absorbed more than a proportionate share of the EU's democracy and good governance funds, and the EU has sought to enmesh Algeria within a regional framework based firmly on the development of democratic norms. In 1997 the EU suspended association agreement negotiations with Algeria, because the regime's lack of political legitimacy was seen as undermining its ability to push through the tough economic changes required by the EU's trade agreement and due to the regime's failure to broaden and disperse institutional competences in a way that would assist a containment of violent conflict. The re-intensification of violence during 2000 encouraged European states, including France, to abandon many of the aid projects proposed in 1999, and in response to riots in the summer of 2001 the EU spoke out more strongly in defence of Berber rights than hitherto.³⁶ These changes constituted no more than subtle changes, as the EU has struggled with the challenge of focusing on rights issues while also openly backing presidents Zeroual and Bouteflika in their battles with army *erradicateurs*: the EU's 2002 strategy listed its main perceived

concern as 'the weakness of the president'.³⁷ They nevertheless reflect a growing recognition that the absence of far reaching political liberalization in Algeria has not produced stability.

The lack of firm democratic conditionality has become increasingly evident in the case of Libya. Several national governments endeavoured to circumvent Libya's exclusion from the EMP by reinforcing bilateral links. Spain, for example, launched a series of ministerial visits, forwarded new development assistance, and negotiated a sizeable new Repsol investment in Libya³⁸. The EU indeed vigorously defended its right to support investment in Libya against the extra-territorial sanctions threatened by the ILSA legislation. After the 1999 deal providing for the trial of the Lockerbie suspects in the Netherlands, sanctions were suspended (except on arms sales) and the EU went out of its way to incorporate Libya into the EMP. Commission president, Romano Prodi in particular courted Colonel Q'adafi. Libya's accession to the EMP did not materialize only because of Libya's objection to Israel's presence. Italy continued to be the firmest advocate of full engagement with Libya – and the largest importer of Libyan petroleum. By 2002, even the UK – the EU's long-time 'backmarker' on relations with Libya – was developing bilateral links with Tripoli. As with other 'rogue' states such as Iran, Iraq and North Korea, conditionality has been applied to external actions not internal political reforms.

Debate has, of course, increasingly focused in particular on reform of the Palestinian Authority. From the mid-1990s, the EU imposed firm conditions in relation only to macro-economic policy and fiscal reform, not issues of democratic quality or good governance. Concrete political conditionality has related to counter-terrorism, not democracy. Few objections were raised in response to the postponement of local elections. Little protection was offered against the PA's narrowing of associational space, arbitrary arrests or restriction of Islamist welfare organizations.³⁹ Only during the course of 2002 did the EU come to perceive a need for a dispersal of the power exercised by the Arafat entourage. This appeared to reflect an implicit recognition that the EU had miscalculated, to the extent that support for PA security forces had become part of the problem, with suspected links between these forces and violent militia and the way that a lack of transparency had facilitated weapons accumulation. European strategy at this stage came to promote the notion of day-to-day responsibilities being passed to a new prime-ministerial post.

Recent debate has centred on the sequencing of reform, most analysts insisting that the creation of a Palestinian state must occur together with reform of the PA into a full 'nation-state' 'democracy'; Palestinians must see that democracy means something in terms of securing progress on a final settlement.⁴⁰ While apparently keener to support governance reform, the EU has notably rejected president Bush's insistence that such reform occur prior to final settlement negotiations. This is presented as reflecting a less instrumental perspective on PA democratization: a rejection of 'democratization' being promoted primarily as a means of 'getting Arafat out' (or even more disingenuously, as many suspect, of the US setting reform hurdles so high that they will not in practice be obliged to exert any pressure on Israel).⁴¹ Notwithstanding this difference and the undoubted significance of the EU's refusal to ostracize Arafat, the EU's outlook has itself exhibited a significantly instrumentalist logic: the focus has been very firmly on how reform can contribute to immediate improvements in security capacities and far less on the more general potential benefits of a broader democratic *process*. Consequently, policy remains beset by notable tensions. At the same time as advocating a broadening of political power away from Arafat, an insistence on the coalescing of security forces has – notwithstanding the removal of two of the most repressive leaders, Ghazi Jabali and Mahmoud Abu Mazouq – actually reinforced Arafat's centralized control. It remains unclear how far the EU actively seeks full democratization, rather than simply a greater transparency to prevent PA funds being siphoned off to terrorists. Proposals forwarded by Joshua Fialov and others for a UN protectorate, to be charged with implementing reforms to the PA, do not – in light of the Bosnian and Kosovan experiences – necessarily auger well for the generation of firm local support for or 'ownership' of democratic advances. Given the acknowledged infeasibility of deploying such a UN operation in a pre-settlement environment, this option moreover addresses the importance of political reform in bedding down a peace deal but not in generating *prior* consent behind such an agreement.

Central to the EU's gradualism across the whole Arab world has been the contention that political change can most robustly be built upon underlying economic modernization. It is the absence of fundamental economic reform and market restructuring that is widely seen to have facilitated elites' retention of power across the Middle East, this applying in particular to the perpetuation of 'rentier state' economic activity. Indeed, Arab governments' resistance to the prospect of a Euro-Mediterranean free trade area has been attributed to regimes' desire to prevent 'spill over' pressures for liberalization

from the economic to the political spheres.⁴² The general integration of the southern Mediterranean region into the rules-based world trading system would undoubtedly accord the EU more effective political purchase. On the other hand, a routine criticism of the EMP has been that the economic reforms imposed by the EU are leading to harsher repression and even tighter executive control deemed necessary by Arab regimes to push through liberalization.⁴³ Far from a mutually enhancing linkage between economic and political reform, many detect a *tightened* nexus between the state and dominant private sector firms, regimes successfully co-opting the private sector into an alliance to prevent economic reforms having broader political implications.⁴⁴ The economic dimension of European policy has also made alliances with NGOs more difficult and less harmonious, as these remain focused on criticizing the EU as much as their own governments. In practice, the economic-political link has been elaborated only in the most general sense. Most obviously there has still been no real movement on agriculture and other sectors of vital importance to southern Mediterranean economies: an old and ubiquitously forwarded criticism of the EU, but one that is still pre-eminent in Mediterranean perspectives on the EMP.

As the dangers of precipitate economic liberalization have increasingly been flagged up⁴⁵, the EU does appear to have become more tolerant of Mediterranean partners' failing to meet their FTA reform commitments. Some European ministers now openly admit that they will not be looking rigidly to impose the original 2010 deadline for the free trade area, and increasingly policy documents and statements appear to downplay the significance of the economic relative to the social dimension. MEDA funds have been diverted away from infrastructure projects into measures aimed more tightly at facilitating restructuring processes - job creation, small business development, micro-credit schemes and the promotion of joint ventures. By 1997 over one half of MEDA funds were being allocated to social projects.⁴⁶ The Commission was, for example, the largest donor to Egypt's Social Development Fund throughout the 1990s.

Despite this evolution of policy, the much-vaunted social and human basket of the EMP has itself remained subject to significant shortcomings. Most projects in the EMP's social volet have actually been strongly oriented towards the participation of elites - such as academics and artists - rather than popular sectors. The Commission's decentralized civil society-to-civil society programmes have remained far more limited in scope than was originally intended. The proportion of development assistance allocated for socialization-type, civil society projects has been less in the Mediterranean than in any other developing region, except Asia.⁴⁷ Since the Palestinian uprising in the autumn of 2000, the EMP's Civil Forum has been increasingly hijacked by the violence in the West Bank, Arab NGOs boycotting several thematic meetings.⁴⁸ In several member states, such as Spain, a number of key cultural and educational projects related to migration were actually scaled down after 2000.⁴⁹ Moreover, the critic might charge the EU with having been rather 'one way' in its harnessing of the social dimension, concerned uniquely with promoting Arab acceptance of European norms and not European understanding of or tolerance for Islamic values - whether entirely justified or not, it is this charge made routinely by southern Mediterranean governments that has constituted one of the main obstacles to partnership-building spirit within the EMP.

There is some evidence to suggest that a defensive reflex has become more notable since September 11. The principal development of the fifth ministerial meeting of the EMP held in Valencia in April 2002 was the addition of a new justice and home affairs pillar to the partnership, enshrining commitments further to clampdown illegal migration. Counter-terrorist cooperation was for the first time formally part of the ministerial agenda, while new association agreements signed with Algeria and Lebanon since the terrorist attacks in New York have included new clauses on security cooperation relating to anti-terrorist strategies.

From early 2001, however, and particularly in the wake of September 11, the Commission and several member states insisted that the social-cultural sphere was key to revitalizing the EMP. The Commission argued that better developed 'positive' social programmes would best enhance the EMP's distinctive approach.⁵⁰ At Sweden's behest a separate social-cultural section of the Euro-Med Committee was established. New cooperation on cultural and rights issues was institutionalized through regularized socio-cultural initiatives at the bilateral level with Tunisia and Morocco. In 2001 the EU elaborated a new framework programme covering migration issues in cooperation with the Mediterranean partners. This appeared to have a far more positive slant, with new initiatives proposed on: raising southern Mediterranean migrants' rights above those enjoyed by other countries; cooperation on extending visa provisions; and projects on preventing the 'ghetto-ization' of

immigrants. A formal agreement at the Valencia ministerial to strengthen the rights of legal migrants was the quid pro quo to Mediterranean partners' acquiescence to tougher measures against illegal migration. In February 2002 the EU held a ministerial level meeting with OIC states in Istanbul to explore ways of promoting civil society dialogue. A commitment was also made at Valencia to establish a Euro-Mediterranean Foundation to promote cultural understanding: this initiative was taken expressly as a response to September 11 and mirrored the Asia-Europe Foundation already operating under the ASEM process. One of the biggest EU aid projects in the Mediterranean in 2001 was a 'culture of peace' education programme in Jordan.⁵¹ One senior official saw the EMP's future in focusing on 'the intangible benefits of networks' rather than attempts directly to impose short term, 'direct results'.⁵²

Democracy and Human Rights Assistance

The Mediterranean received 14 per cent of the Commission's democracy and human rights for the period 1996-99, above the region's overall share of Commission aid (just over 10 per cent, since the 1990s): that is, far from being an 'exception' to the EU's democracy agenda, the Mediterranean has absorbed a higher proportion of political aid than traditional developmental aid. Between 1996 and 1999, the Commission funded 306 democracy and human rights projects in the Mediterranean, totalling 27 million euro⁵³. Human rights, women's rights and press freedom projects have been particularly prominent. A considerable amount of additional funding has also gone to judicial reform projects as part of the good governance agenda, in particular to initiatives related specifically to the processing of commercial cases. Indeed, the good governance agenda – benefiting from a far larger pool of resources than those labeled as democracy and human rights funds – has more generally been broadened in scope, EU policy-makers stressing a more politicized conceptualization of governance, in response to an explicit dissatisfaction with the essentially technical definition of this term employed by the World Bank.⁵⁴

The scale of this human rights and democracy funding has remained relatively modest, at approximately 2 percent of total aid to the region – less than amounts given for either family planning or drugs eradication. Many agreed projects were delayed for long periods over the late 1990s. Contrary to the common perception of the EU engaging longer-term commitment than the US, several European officials indicate that Morocco and other states may already have received *too much* priority attention. US funding in North Africa has increased notably, while key European donors such as France and Spain now devote a far more limited share of their aid to political work. A reduced 7 per cent of the European Initiative on Democracy and Human Rights budget was allocated to the Mediterranean for 2002. Only Tunisia, Algeria and the West Bank were included in the Commission's new list of recipient countries. Morocco's exclusion attracted particular attention, this being the state where most observers suggested that some positive dynamic of political change existed for external actors to lock onto. Notwithstanding these limitations, the overall amount of aid devoted to association building has not been the principal concern raised by civil society actors in Arab states.

Other limitations pertain to the qualitative substance of the projects funded. While EU human rights projects are not subject to the approval of southern Mediterranean governments, European states have remained relatively cautious. A passive, application-driven decision-making process has prevailed; in some states, few proposals have been forthcoming. The overall profile of human rights projects has been narrower than in other developing regions, such as Latin America and Central and Eastern Europe⁵⁵. All but a handful of projects have gone to NGOs, most of the latter urban-based Western-style advocacy groups with relatively limited organic social bases. While recipients have included politicized and confrontational organizations, European governments have agreed in general to focus on non-controversial civil society projects rather than more directly political projects.⁵⁶ Most European donors acknowledge that they have been drawn mainly to civil actors not working directly for democratic reform. European donors continue to work mainly through intermediaries, predominantly European NGOs, this being true even of support for private sector economic actors. As elsewhere, most aid has been concentrated in the larger cities, not in the rural environment where civil society is weakest. USAID has had a less reactive approach to project identification than European donors.

The EU has provided no support for the range of groups widely identified as elements of a potential Arab form of democracy – professional association, syndicates, mosques, teaching circles,

neighbourhood organizations or craft groups. Work in this area was limited to one academic project exploring 'original' local forms of democracy. No support has been offered for NGOs with any significant Islamist flavour. While the EU continues to be extremely circumspect in relation to Islamist groups, some of the latter remain ambivalent over the prospect of European funding. Some projects have attempted to approach this issue in a cautious, indirect fashion, supporting local NGOs to run seminars on Islam and human rights. Some opinions expressed suggest a very slight change in perspectives, indicating some recognition on the part of the EU and Islamists of the need to engage more positively with each other. However, policymakers acknowledge that, despite being increasingly considered as an important area to explore, there has still been no significant engagement with moderate Islamists since September 11. Meaningful projects on democratic values and dialogue-socialization have also failed to materialize acknowledged. The EU's high profile meeting with Organization of Islamic Conference states held in Istanbul early in 2002 did not engender regular concrete follow up. One initiative was elaborated through the EP, engaging Muslim clerics in discussion on human rights values in Islam.

Projects on the judiciary, armed forces, parliaments, institutional reform, media and trades unions have been mainly for NGO-organized training, education, awareness-building campaigns, seminars and conferences. The Mediterranean attracted a disproportionately low share of overall Commission funding for political society institutions, such as parliaments or local administrations (4 per cent compared with the region's 14 per cent of the overall democracy budget). The most prominent example of this was a project supported by the Commission run by the Friedrich Neumann Stiftung focused on political stability and democratic participation, the role of the opposition, the strengthening of opposition parties and the importance of consensus building to stabilization. Only one regional project has incorporated parliamentarians, raising public awareness of the democratic role of parliaments, this run by a Dutch organization, Stitching Communication for Development. One other related project aimed at developing parliamentary-NGO links, but only in Lebanon – already benefiting from one of the region's most lively parliaments.

There have been few significant projects on strengthening political parties or civilian control over armed forces. Accountability measures within military cooperation (Partnership Building Measures) have been negligible. Dialogue forums between the religions have excluded any notable opposition representation – a condition set by Mediterranean governments; moreover, EU governments have been keen to keep a fairly indirect link to such initiatives.⁵⁷ Work on issues such as elections and legal independence has been supported primarily through European universities, institutes and training centres, rather than direct capacity support for local civil society.

A large proportion of other work has been extremely indirect, the most common example of this being support for local level environmental associations. Support for unions has been undertaken through European trade union federations, and has focused mainly on social rights and bargaining techniques rather than overtly on political independence. Good governance work funded under democracy budgets has prioritized technical and regulatory harmonization with European single market rules. This has included a particular focus on the transparency of procurement procedures, the design of new fiscal systems to replace revenues lost through tariff removal and micro-credit projects aimed strengthening local level decision-making capacities⁵⁸.

The private sector has not been systematically included in the association-building activities of European donors. The latter have continued to channel most of their economic aid through governmental ministries rather than direct to private sector umbrella organizations – although a new Commission programme has lately begun to provide direct assistance to employers' groups. Private sector work has relied heavily on the use of European consultants, brought in to advise on specific problems of industrial production/organization. This has raised questions over whether the resolution of immediate economic challenges in this fashion might actually undercut the prospect for strengthening local organizational capacity.

Pressure against the blocking of human rights projects has not been strong. Mediterranean governments have sought to frustrate some new human rights initiatives, and have been particularly sensitive to the notion of support being given to political society institutions. The EU has had difficulty in identifying independent civil society organizations; this is shown in the distribution of MEDA Democracy funds, with Morocco, Jordan and Lebanon being relatively high per capita recipients, while Syria and Tunisia received only 1 per cent each and Egypt only 4 per cent of the total funding.⁵⁹ Restrictions on the

foreign funding of political parties in the Arab world have effectively blocked many European proposals.⁶⁰ The head of the Egyptian Organization of Human Rights was arrested for accepting funds from the UK and another European-funded organization, the Group for Democratic Development, closed down in the face of official harassment.⁶¹ Spain has found it difficult to get aid through to Saharawi civil society groups.⁶² Arab governments have sought to limit eligible recipients to government-backed 'NGOs'. The aim to create regional civil society networks within the Mediterranean has been one of those most frustrated by the collapse of the Middle East peace process.⁶³ The Civil Forum has been kept relatively marginal to EMP decision-making forums. European aid flowing into many of Egypt's private voluntary associations has been seen as directly supporting closely linked government networks of patronage.⁶⁴ Nordic states and the European Parliament pushed for the implementation of conditionality in relation to the autonomy of recipient groups, but this was not agreed by other member states.

Recipients talk of the value of European funding residing in the latter enhancing the 'credibility' or the 'weight' of local associations. This relatively nebulous assessment has prevailed over any structured evaluation process. Many recipients express a concern that little has been done to assist them obtain on-going sources of funding as European money is withdrawn. Concerns have been raised regarding the danger of NGO associations supported by the EU being co-opted, even if European donors have given significant support to the more critical sectors of civil society. Donors acknowledge that their projects often 'fill a gap' where state provision is lacking, although they appear not to recognize the long-term risks of this strategy for the building of local capacities. The credibility of EU civil society work has also suffered due to internal European policies on immigration and migrants' rights. As elsewhere, the need to improve coordination with other donors remains pressing. There have been a number of cases where European work directly duplicated projects run by other donors. Recipients also see competition between European donors themselves in largely unfavourable terms.

Notable features of human rights and democracy funding to the various states in the region include:-

West Bank and the Gaza Strip Up to 2000, nearly 40 per cent of the MEDA Democracy budget went to Israel and the Occupied Territories, and one quarter of total EU aid to the West Bank and Gaza strip went to institution building projects. The EU has provided over half the funding that supported the setting up of the Palestinian Authority quasi-state institutions. Most of this has gone to: direct support for the PA's operating budget; the payment of public sector salaries; provisions for the centralization of fiscal revenues to the PA as part of the establishment of new structures for macro-economic policymaking. The overwhelming share of European funding has been channeled to the PA executive. Policy-makers acknowledge that during the 1990s projects included few provisions aimed at enhancing transparency and accountability and that much aid eventually proved simply to have provided more resources for the exercise of patrimonial rule. A major category was support for creating a strong police force, this forming the subject of one of the first CFSP Joint Actions.⁶⁵ Since the September 2000 uprising, increased amounts – rising to 10 million euro per month – have been forwarded to support the PA budget directly to offset Israel's withholding of revenues: it is here where a focus on transparency has been most forceful, with the EU imposing a freeze on new hiring, greater judicial independence, increased financial reporting provisions and the transfer of monies to a single IMF-monitored account.

This focus on the PA executive was presented as a necessary first stage to democracy building after the Oslo accords. Critics observed that funding going to NGOs more than halved after the mid-1990s – although the shift between different categories of support might be seen as less illuminating in Palestine than on other cases, given that donors could only fund NGOs prior to Oslo and that the perceived challenge thereafter was to transform broad national movements into organizations running state-like institutions. By the end of the 1990s, some reemergence of civil society support was evident. A new initiative offered funding for 27 human rights NGOs. The EIDHR supported the Palestinian Human Rights Monitoring Group, the Palestinian Centre for Human Rights, the Palestinian Independent Commission for Citizens' Rights, the Palestinian Society for the Protection of Human Rights, the Palestinian Working Women Society, the Women Affairs Centre, and the Democracy and Workers' Rights Centre. As this funding increased, the EU did with some success press for Arafat to widen the political space available to these groups. Under the EIDHR increasing support was forwarded for human rights training of the security services: a continuing security focus was seen in a new 2000 Joint Action aimed at helping the Palestinian Authority in its fight against terrorism, but this did build in a more prominent human rights training component than previously.⁶⁶

Other projects were developed on the media, such as the funding of a new journal to monitor the PA, reporting on executive abuses not published in mainstream media. Supposedly political budgets also came to focus on socio-economic ramifications of the conflict: these have provided, for example, for a Palestinian housing project in East Jerusalem, while the 2002 EIDHR strategy identifies support for the Palestinian small business community as a priority. The UK and other bilateral donors have introduced new funding for civil society, in post-2000 circumstances preferring to assist emergency service provisions rather than taking a directly political focus. The new 2002 EIDHR strategy identified the West Bank and Gaza Strip as a target state for democracy assistance and, significantly, committed the EU to imposing firmer conditionality in relation to the need for a new law on judicial independence in the Occupied Territories. Since 2001, the EU insists that it has begun to develop new 'benchmarks' for enhancing the transparency and accountability of the Palestinian Authority. However, these involved relatively technical auditing devices, rather than any focus on the underlying power structures of the PA, and were anyway discontinued as a result of the chaos to institutional structures occasioned by the Israeli incursions. A conspicuous absence in European priorities has been any systematic focus on challenges such as boosting the Palestinian Legislative Council or political party building. European funds provided for the PLC building in Ramallah; given the PLC's continuing subjugation to the PA executive this might be cited as one of the most notable cases of micro-level projects not being linked effectively into efforts capable of remoulding macro-level patterns of political power. Overall, 'democracy and human rights' funds allocated to Israel and West Bank Gaza are to an overwhelming extent in fact not aimed at all at political-institutional change but 'culture of peace' type Israeli-Palestinian cooperation at the level of civil society: the vast majority of EIDHR funds since 2002 has gone to joint Arab-Israeli educational, cultural, pro-peace groups initiatives and forums, and especially youth organizations.

Morocco A priority focus of European assistance in Morocco has been legal literacy for women. Technical advice of changes to human rights law and women's rights has also attracted significant funding. The primary recipients of EU aid have been the large, established human rights networks, Association Marocaine des Droits de l'Homme and the Organisation Marocaine des Droits de l'Homme – although even in Morocco most projects have been lead and managed principally by European NGOs.⁶⁷ Some support has been forthcoming for the Confederation Democratique du Travail, albeit with acknowledged misgivings. The most distinctive feature of democracy and human rights projects in Morocco is the extent to which such funding has been channeled through the Human Rights Ministry, the Ministry for Education and the Justice Ministry – this arguably reflecting an over-optimistic view on official commitment to, and propensity genuinely to facilitate, political liberalization. More recently, by far the largest European project undertaken in Morocco has taken place in the field of judicial reform. One reason why it was not deemed important to include Morocco in the EU's list of target states was that the government intimated that it would cooperate on human rights funding through mainstream budgets, by necessity directed to ministries and with official consent: in practice, the palace has since scuppered a number of new initiatives forwarded on this basis. Since 2001 only one Moroccan NGO has received Commission democracy and human rights funding.

Algeria The principal Commission projects supported in Algeria prior to 2000 included: support for the police, this representing by far the biggest category of support (8 million euro during 2000-1), support for the media in particular through setting up a Media Solidarity Centre and funding training links with Reporters sans Frontieres; women's rights, much of which reflected the EU's preference for extremely indirect approaches, one of the biggest projects going to the Association Algerienne pour la planification Familiale, for example; and, also demonstrating the socio-economic bent to democracy assistance, education, rehabilitation and social insertion programmes, such as support for Enfants Refugies du Monde. Algeria was included as a target state for the EIDHR in 2002. The EU's priorities in Algeria were then listed as 'stability and security', fundamental liberties and good governance. New initiatives have included: judicial reform, with a new focus on transparency of and access to the legal system and training for women judges; police reform; the media; the rehabilitation of areas effected by terrorism; the strengthening of local administration; new information programmes on democracy. Apart from one Italian project on gender and development, all bilateral nationally funded work came from France. French funds were defined not as democracy promotion, but a government centred 'etat de droit' agenda, and amounted to 40 million euro in 2000; while Paris's 'human rights' initiatives consisted almost entirely of relatively soft cultural projects (cinematic cooperation, funding for artists, professional vocational training).⁶⁸ These priorities reflect a clear security-oriented design of political reform priorities in Algeria. Policymakers argue that in Algeria the EU can in practice only work with the government as and when it can be persuaded to cooperate on modest parcels of human rights

education or awareness building. There have been some signs that the scope for such cooperation on issues such as disappearances and prison reform has increased. The EU has very consciously focused on increasing capacity for advocacy in respect of basic rights, and has not engaged in any systematic or concrete fashion with the broader and long-debated question of designing and embedding a comprehensive democratic alternative for Algerians beyond both the regime and the Islamists.

Tunisia. Prior to 2000, very little democracy and human rights was undertaken in Tunisia. The very small number of projects that were feasible constituted an extremely 'soft' approach, designed around the Tunisian government's own priorities. 'Democracy' projects thus included: support for an employment agency; education on economic and social rights; and a project on the rights of Tunisian migrants working abroad. The 'economistic' route to political change has been particularly favoured in Tunisia as the latter has increasingly established itself as the Arab state where the economic reforms and partnership promoted by the EMP have been most far-reaching: a constant disincentive to employ conditionality against Tunisia has been that the latter continues to use economic aid more effectively than any other Mediterranean partner. Notably, Bin Ali has been far more willing to block and frustrate EU projects than to risk German displeasure by disrupting the operations of the Friedrich Ebert Stiftung – although, the latter's focus has also been on social rights. Identified as a new target state in 2000, Tunisia has now been allocated a disproportionately large amount of human rights funding for 2002-4. Pursuant to this renewed focus on Tunisia, funding decisions have in this case become more politicized. Despite objections from the Tunisian government, the EU offered new funding for the Ligue Tunisienne des Droits de l'Homme; when this group's activities were then constantly broken up by the authorities and licences delayed etc, the Commission did protest and insist of such obstacles to European-funded projects being removed. This pressure was still limited to demarches and diplomatic strictures, rather than any actual suspension even of individual packages of aid, but it was seen as significant that for first time Italy and France did consent to such pressure.

Syria Up to 2000, only four MEDA democracy projects were funded in Syria. These represented no more than tentative 'first step' projects: the collection of basic information on the political situation in Syria; women's economic empowerment; inter-religious dialogue. The very re-tightening of political space in Syria after 2000 continued to deprive the EU with what it judged to be promising local partners. Even fairly innocuous looking social development projects have been either blocked or diluted by Syrian authorities fearful of their potential political impact. More recently, the EU has focused on gaining some degree of foothold over reforms in Syria through cooperation on the design of new procurement rules and tax reforms.⁶⁹

Jordan Despite the country's more far-reaching degree of political liberalization, human rights projects in Jordan have been as narrowly focused as those undertaken in neighbouring states. Prior to 2000, there were only three MEDA democracy projects in Jordan that were not with women's groups. Support was forthcoming for the Housewives Committee Zarqa, the Arab Women's Cooperation Network, the Human Forum for Women's Rights, the Arab Women Organisation of Jordan, the Jordanian National Forum for Women and the Business and Professional Women's Club. These projects focused on rights enforcement through the creation of grass roots organizational forums. The other area of work in Jordan has been related specifically to the peace process, this including projects on children's rights and education for peace.

Egypt Only seven MEDA democracy projects were support in Egypt up to 2000, with no new initiatives agreed in the immediate aftermath of the new civic associations law agreed in 1999. Prisoners' and women's rights were the two issues addressed through EU backed initiatives. The Egyptian Organization for Human Rights was subjected to increased harassment due to its receipts of European funding, and this effectively discouraged the EU from continuing to support this group. A small number of projects in Egypt have featured a slightly more political edge: support was forwarded to the Arab Centre for the Independence of the Judiciary and the Legal Profession; and programmes of voter registration and election awareness campaigns were deemed fruitfully harnessed to the Supreme Court's growing activism in this area. Egypt was not identified as a target state in 2000. This offered grist to the mill of those doubting that the EU was at all genuine in its stated desire to see Mubarak's power undermined. It also demonstrated the persistently 'messy' nature of EU policymaking, however: with the individual personnel covering Egypt keen to keep chipping away at the issue of political reform, 20 million euro of new civil society support was found from mainstream budgets to circumvent the country's exclusion from the EIDHR list of priorities. The socio-economic flavour of policy has been particularly evident of Egypt, the EU defining the aim of its human rights initiatives as 'to

enhance the capacity of the NGO sector to contribute effectively to social development'. This has driven the funding of a new structured dialogue between the state and NGOs on social development. In this light, the Commission has recently committed itself to exert more conditionality specifically to ensure that the NGOs funded by the EU 'can operate without undue restriction'.⁷⁰

Ways Forward

The foregoing account of European policy demonstrates that issues of democracy and human rights have gradually worked their way into a more comprehensive perspective on the challenges facing the region. At the same time, several elements of their elaboration call for sharper delineation:-

Conditionality The EU might most obviously be admonished for having eschewed any significant, concrete punitive conditionality in relation to democracy and human rights. Diplomatic pressure has been increased in relation to select human rights cases and a modest degree of 'rewards conditionality' has been evident in the distribution of European aid; but broader democratic regressions have not elicited substantive responses from the EU and no systematic correlation has emerged between aid receipts and political trends. It must be legitimate to caution that in the context of the Mediterranean region comprehensive and dramatic ostracism of offending regime, even if it were judged by policy makers to be remotely feasible, would risk being highly counterproductive. For all the criticism of the EMP, the latter has succeeded in at least laying the foundations for a far broader and more institutionalized engagement than the EU has previously enjoyed with the Arab world. Democracy and human rights policy should indeed seek to harness, rather than obviate, this. Such an approach need not preclude, however, a more effective and purposeful use of the linkages upon which the whole logic of the EMP is supposedly predicated as a means of putting some modest and narrowly focused pressure on southern Mediterranean regimes.

New legislation promulgated by Mediterranean regimes restricting political space in particular areas should be met with action that is more determined yet also carefully delineated to counter the specific restriction in question: increased support for a newly banned NGO; withdrawal of state capacity-building legal reform work in response to tightened control over the judiciary; initiatives aimed to increase awareness of democratic norms for political parties prohibited on the a priori rejection of their compatibility with electoral process. This might prove a necessary counterpart to very generally designed NGO initiatives, ensuring that EU policies are more tightly attuned to specific and distinctive political developments in each Mediterranean partner state. Mediterranean governments have come to perceive a greater need to legitimize their actions in terms of democracy, but they do not so far appear to have become 'entrapped' in any identifiable by their own new rhetoric.⁷¹ It is in this sense that the EU needs to begin to ratchet up its pressure for democratic reforms. Choices should not be dichotomized between engagement and containment; rather, subtle forms of pressure, based on the cross-issue linkages facilitated by the EMP, should be elaborated such that the 'positive' logic of 'norms dissemination' and international regime building can actually proceed more fruitfully. Socialization around democratic norms requires carefully calibrated coercion that does not allow institutionalized dialogue to rupture, but rejects the notion that the latter can simply be left to gestate into a stable collective security regime.

Democracy and Security This in turn relates to the need for a more robust conceptualization of how different forms and 'arenas' of political change might impact upon the security agenda. European policy has legitimately identified the potential for more open decision-making processes to stabilize the Mediterranean region, while acknowledging the need to avoid precipitate change. This gradualism has, however, drifted into a vague support for 'partial' political liberalization that lacks any comprehensive or profound rationalization of different mechanics of political decision-making. It is towards such a limited end that the EU has most feasibly been able to work: encouraging pockets of civil society activism focused on basic human rights, pushing for areas of more autonomous economic activity. This offers the prospect of tempering radicalism, making it easier for European businesses to gain access to Mediterranean markets, while avoiding the kind of destabilizing friction that would emerge from any more muscular attempts to impose overarching 'Western' political systems. It is at least arguable, however, that such partial reform efforts are amongst the most destabilizing and least sustainable forms of governance. More firmly embedding benefits flowing from the two areas of most notable EU work – the NGO sector and economic reform – requires in turn a focus on more political arenas. This might

include: the elaboration of yardsticks to specify EU expectations relating to parliamentary reforms; a more forceful focus on strengthening civilian control of militaries, an absolute key to linking political reform to more peaceable state behaviour. More generally, closer linkages are required between security policy planners and those working on different reform options on the ground at the micro level.

Democracy and Economic Development Similarly, as in other areas of EU external relations, a strengthening of links between political and economic forums would benefit democracy promotion strategy. Apart from standard calls for reforms to EU commercial policy, it is of concern that democracy and human rights officers have little say in the type of civil society organizations supported under mainstream development initiatives. In some senses, European approaches to political reforms have been unjustifiably socio-economic; but, the bottom up social developmental approach has itself suffered from significant shortcomings. Many projects with a social development bent appear only tenuously 'political'; many others have been overtly politicized, with a focus on Western-style 'elite' human rights NGOs only weakly linked to any concrete social base. Rectification of the latter problem requires a further localization of projects; and while there is evidence that policy has begun to move in this direction, the question of to maximize the political potential of social development work is still vastly under-conceptualized. One new drawback in this sense might be the new difficulty of funding projects between micro-projects (5000 euros) and the minimum macro-project (300000 euros). An area of particular potential would be to enhance support for the political role of economic/employers' organizations under MEDA funding, this an area where the EU could better harness change related to the prospective Euro-Mediterranean FTA to broaden political space.

Restructuring the EMP? The most commonly cited problem has, of course, been that by linking policy in other parts of the Mediterranean to Arab-Israeli relations, the EU has found it more difficult to gain the purchase necessary for a really significant stability-promoting strategy in the region. Many policy-makers have cautioned, however, that the alternative option of dividing up the Mediterranean basin within EU policy initiatives could cause tension between those inside the more preferential, fast-moving set of relations and those states excluded from this – mirroring fears that the two tier approach in Eastern Europe might have begun to do just this. Some form of balance between these two extremes might be possible, retaining an overarching regional framework while proposing sub-regional forums to cover specific issues, including democracy and human rights.

Notes

- ¹ For general overviews on civil society and democracy in the Mediterranean see: Mohamedou M. (1999) 'The Rise and Fall of Democratization in the Maghreb', in Magnarella P (ed) *The Middle East and North Africa: Governance, Democratization and Human Rights* (Aldershot, Ashgate); Norton A.R. (1995) 'Introduction', in Norton A.R. (ed) *Civil Society in the Middle East*, volume 1 (Leiden, E.J.Brill); Ibrahim S. E. (1995) 'Civil Society and Prospects for Democratization in the Arab World', in Norton (ed), *Civil Society*; Schlumberger O. (2000) 'The Arab Middle East and the Question of Democratization: Some Critical Remarks', *Democratization* 7/4: 104-132. On Morocco see: White G. (1997) 'The Advent of Democracy in Morocco? The Referendum of 1996', *Middle East Journal* 51/3: 389-404; Mendicoff D. (1998) 'Civil Apathy in the Service of Stability? Cultural Politics in Monarchist Morocco', *Journal of North African Studies* 3/4: 1-27; Bendourou O. (1996) 'Power and Opposition in Morocco', *Journal of Democracy* 7/3: 108-22. On Tunisia see Bellin E. (1995) 'Civil Society in Formation: Tunisia', in Norton (ed), *Civil Society*; Murphy E. (1997) 'Ten Years On – Ben Ali's Tunisia', *Mediterranean Politics* 2/3: 114-22. On Egypt see Fandy M. and Hearn D. (1999) 'Egypt: Human Rights and Governance', in Magnarella, *The Middle East*. On Syria see Lawson F. (1999) 'Syria Resists the End of History', in Magnarella, *The Middle East*; Kienle E. (1997) 'Authoritarianism Liberalised: Syria and the Arab East after the Cold War', in Hale W. and Kienle E. (eds) *After the Cold War: Security and Democracy in Africa and Asia* (London, I. B. Tauris): 209-11. On Palestine see Council of Foreign Relations (1999) *Strengthening Palestinian Public Institutions* (CFR, New York). On Jordan see Kamrava M. (1998) 'Frozen Political Liberalization in Jordan: The Consequences for Democracy', *Journal of Democracy* 5/1: 138-157.
- ² Sadiki L. (2002) 'The Search for Citizenship in Bin Ali's Tunisia: Democracy versus Unity', *Political Studies* 50/3: 497-513
- ³ Amongst an enormous literature, seminal democratic peace references include, Russett (1993), Doyle (1983), Rummel (1983)
- ⁴ Dixon W. (1993) 'Democracy and the Management of International Conflict', *Journal of Conflict Resolution*, 37/1: 42-68
- ⁵ Russett B. and Oneal J. (2001) *Triangulating Peace: Democracy, Interdependence, and International Organizations* (New York, Norton); Ray J. L. (1995) *Democracy and International Conflict: An Evaluation of the Democratic Peace Proposition* (Columbia, University of South Carolina Press)
- ⁶ See International IDEA (1998) *Democracy and Deep-Rooted Conflict: Options for Negotiators* (Stockholm, International IDEA) for recommendations on power-sharing democracy.
- ⁷ Gurr T. (2000) 'Ethnic Warfare on the Wane', *Foreign Affairs* 79/3: 52-64
- ⁸ Mearsheimer J. (1990) 'Back to the Future: Instability in Europe after the Cold War', *International Security*, 15/1: 5-56 and, in more nuanced form, Jervis R. (1991) 'The Future of World Politics: Will it Resemble the Past?', *International Security*, 16/3: 39-73; Waltz K. (1991) 'America as a Model for the World? A Foreign Policy Perspective', *PS: Political Science and Politics*, 24/4: 667-70; Huntington, *The Clash*; Guzzini S. (1998) *Realism in International Relations: The Continuing Story of a Death Foretold*, (London, Routledge): 227-9; Kissinger H. *Does America Need a Foreign Policy?*
- ⁹ Mansfield E. and Snyder J. (1995) 'Democratization and the Danger of War', *International Security* 20/1 is one of the seminal statements of this position. Some debate followed this, with Enterline A. (1996) 'Driving while Democratizing', *international Security* 20/4: 183-96 disputing that the statistics show that states are more dispute prone during transition.
- ¹⁰ Gelpi C. (1997) 'Democratic Diversions: Governmental Structure and Externalization of Domestic Conflict', *Journal of Conflict Resolution* 41/2: 255-87
- ¹¹ Gray, 'Global Utopias...'; Barkawi T. and Laffey M. (1999) 'The Imperial Peace: Democracy, Force and Globalization', *European Journal of International Relations* 5/4: 403-34. See Schweiler R. (2000) 'United States Democracy Promotion: Realist Reflections', in Cox M., John Ikenberry G., and Inoguchi T. (eds) *American Democracy Promotion: Impulses, Strategies, and Impacts* (Oxford, Oxford University Press): 43
- ¹² Buzan B. (1994) 'The Interdependence of Security and Economic Issues in the 'New World Order'', in Stubbs and Underhill, *Political Economy*: 93 and 98
- ¹³ Geller D. and Singer J. (1998) *Nations at War: A scientific study of international conflict* (Cambridge, Cambridge University Press).
- ¹⁴ Steinbruner J. (2000) *Principles of Global Security* (Washington, Brookings Institution Press), p. 126
- ¹⁵ Benson M. and Kugler J. (1998) 'Power Parity, Democracy and the Severity of Internal Violence', *Journal of Conflict Resolution* 42/2: 196-209; Ellingsen and Gleditsch, 'Democracy', *op. cit.*, Russett and Oneal, *Triangulating Peace*, *op. cit.*: 70
- ¹⁶ Cousens E. (2001) 'Introduction', in Cousens. and Kumar C. (eds) *Peacebuilding as Politics: Cultivating Peace in Fragile Societies* (Boulder, Lynne Reinner)
- ¹⁷ For this view, see Gellner E. (1994) *Conditions of Liberty: Civil Society and its Rivals* (London, Penguin); Lewis B. (1993) *Islam and The West* (Oxford, Oxford University Press); Pipes D. (1995) 'There are no Moderates: Dealing with Fundamentalist Islam', *National Interest* 41/3: 48; Huntington S. (1997) *The Clash of Civilizations and the Remaking of World Order* (New York, Simon and Schuster); In the Arab world, this view is associated with thinkers such as Sayyid Qutb of Egypt.
- ¹⁸ Those tending to this 'contingent' view include: Esposito J. (1992) *The Islamic Threat* (Oxford, Oxford University Press); Esposito J. and Piscatori J. (1991) 'Democratization and Islam', *Middle East Journal* 45/3; Joffé G. (1997) 'Democracy, Islam and the Culture of Modernism', *Democratization* 4/3: 122-31. Bulworn R. (1224) 'Islam and Europe: an Enigma or a Myth?', *Middle East Journal*, 48/2: 288-308; Halliday F. (1996) *Islam and the Myth of Confrontation* (London, I.B. Tauris): 116; Martin-Munoz G. (2000) 'Political Reform and Social Change in the Maghreb', in Vaconcelos A and Joffé G (eds) *The Barcelona Process: Building a Euro-Mediterranean Regional Community, Special Edition of Mediterranean Politics*, 5/1:97 In the region, the view is associated with thinkers such as the Tunisian Ghannouchi. For a general debate between proponents of these competing perspectives see the special edition of the *Journal of Democracy* on 'Islam and Liberal Democracy', 7/2, April 1996 and the conversation between Esposito, Fuller, Kramer and Pipers printed as 'Islam: A Threat? A Debate', in *Middle East Quarterly* 6/4, December 1999.
- ¹⁹ Zakaria F. (2001) 'The Roots of Rage', *Newsweek Special Report* October 15, pp. 40-41 and p. 44
- ²⁰ Economist 29 September 2001, p.23
- ²¹ Norton, 'Introduction'; Ibrahim, 'Civil Society'; Halliday, *Islam and the Myth*; Norton A.R. (1997) 'Political Reform in the Middle East', in Guazzone (ed) *The Middle East*; Salla M. (1997) 'Political Islam and the West: A New Cold War or Convergence?', *Third World Quarterly*, 18/4: 729-42; Kibble D. (1998) 'Monarchs, Mosques and Military Hardware: A Pragmatic Approach to the Promotion of Human Rights and Democracy in the Middle East', *Comparative Strategy*, 17: 381-91; Beckman B. (1997) 'Explaining Democratization: Notes on the Concept of Civil Society', in Ozdalga E and Persson S (eds) *Civil Society, Democracy and the Muslim World* (Istanbul, Swedish Research Institute); Sarsar S. (2000) 'Can Democracy Prevail?', *Middle East Quarterly* 7/1: 47. Bouchat C. (1996) 'A Fundamentalist Islamic Threat to the West', *Studies in Conflict and*

Terrorism, 19/4: 339-52, more pessimistically advocates 'benign neglect' as the best way to avoid the dangers of supporting both authoritarian regimes and Islamist opposition.

²² See, for example, Indyck, *Back to the Bazaar*: 87

²³ For instance, Chourou, Security Partnership, *op. cit.*, Lia B. 'Security Challenges in Europe's Mediterranean Periphery – Perspectives and Policy Dilemmas', *European Security* 8/4 (1999), pp. 27-56. Spencer C. 'Rethinking or Reorienting Europe's Mediterranean Security Focus', in Park W. and Wyn Rees G. (eds) *Rethinking Security in Post-Cold War Europe* (London, Longman, 1998), pp. 135-154 offers a more comprehensive and balanced assessment, recognising the changes made to European policy, but is still sceptical over the degree of reorientation actually effected.

²⁴ Pargeter A. 'Italy and the West Mediterranean', *ESRC Working Paper*, 26/01 (2001), p. 17

²⁵ Dokos T. 'The Proliferation of Weapons of Mass Destruction in the Mediterranean: The Threat to Western Security', *Mediterranean Politics* 5/3 (2000), p. 11. For a general critique of the EU's orientation towards military security see Chourou B. Security Partnership and Democratisation. Perception of the Activities of Northern Security Institutions in the South, in Brauch H.G., Marquina A., and Biad A. (eds) *Euro Mediterranean Partnership for the Twenty First Century* (Basingstoke, Macmillan, 2000), pp. 163-188

²⁶ Pargeter, 'Italy', *op. cit.*; Gillespie R. 'Spain and the West Mediterranean', *ESRC Working Paper* (2001)

²⁷ For a detailed overview of EU democracy promotion policies in the region, see Youngs R., *The European Union as a Promoter of Democracy: European Policies in the Mediterranean and East Asia* (Oxford, Oxford University Press, forthcoming), chapters 3 and 4.

²⁸ Interview, Italian Mission to the EU, July 2000; Gillespie R. (2001) *Changing Perceptions on European Security in the Western Mediterranean: The Case of Spain*, ESRC Working Paper, 'One Europe or Several?' series; Joffé G. (1997) 'Europe and North Africa', *Cambridge Review of International Affairs*, 10/2: 84-103

²⁹ Interviews, French, Spanish and Italian Missions to the European Union, Brussels, March and July 2000; and Commission, UK, French and Spanish embassies in Morocco and Egypt, November 2000.

³⁰ Interview, Italian Mission to the EU, July 2000.

³¹ Commission of the European Communities (2002) *Egypt: Country Strategy Paper 2002-6*: 9

³² See the respective chapters by J. F. Daguzan and B. Lopez Garcia in Gillespie R. and Youngs R. (eds) *European Union Democracy Promotion: The Case of North Africa*, special edition of *Democratization* (2002, forthcoming)

³³ Kohler M. (1998) *The Mediterranean Policy after the Conference of Barcelona* (European Parliament, Working Document, POLI 103 EN): 37.

³⁴ Agence Europe 17/18 April 2000: 5

³⁵ Tanner F. 'The Euro-Mediterranean Security Partnership: Prospects for Arms Limitation and Confidence Building', Joffé G. and Vasconcelos A. (eds) *The Barcelona Process: Building a Euro-Mediterranean Regional Community*, Special Edition of *Mediterranean Politics* 5/1 (2000), p. 193

³⁶ Agence Europe, 17 June 2001, p. 16 (Special Edition) and 30 June 2001, p. 5

³⁷ Commission of the European Communities (2002) *Algerie: Document de Strategie 2002-6*: 30

³⁸ *El País* 2 February 1998: 22

³⁹ Asseburg M. and Perthes V. (eds) (1998) *The European Union and the Palestinian Authority: Recommendations for a New Policy*, Stiftung Wissenschaft und Politik S421 (Ebenhausen, SWP): 28-31 and 39.

⁴⁰ ICG, Middle East Endgame I: Getting to a Comprehensive Arab-Israeli Peace Settlement, July 2002

⁴¹ See Carnegie forum, Toward Democracy in Palestine: learning from other Countries, July 2002, at ceip.org

⁴² El-Sayed Salim M. (1997) 'Egypt and the Euro-Mediterranean Partnership: Strategic Choice or Adaptive Mechanism', *Mediterranean Politics*, 2/1: 64-90; Weiss D. and Wurzel U. (1998) *The Economics and Politics of Transition to an Open Market Economy: Egypt* (Paris, OECD): 204; Interview, Commission Delegation, Cairo, November 2000.

⁴³ Critiques of the economic elements of the EMP include: Marks J. (1998) 'High Hopes and Low Motives: The New Euro-Mediterranean Partnership Initiative', *Mediterranean Politics* 1/1: 1-24; Parfitt T. (1997) 'Europe's Mediterranean Designs: An Analysis of the Euromed Partnership with Special Reference to Egypt', *Third World Quarterly*, 18/5: 865-81; Kienle E. (1998) 'Destabilization Through Partnership? Euro-Mediterranean Relations After the Barcelona Declaration', *Mediterranean Politics*, 3/2: 1-20; Nienhaus V. (1999) 'Promoting Development through a Euro-Mediterranean Free Trade Zone?', *European Foreign Affairs Review*, 4:501-18; Aghrout A. and Alexander M. (1997) 'The Euro-Mediterranean New Strategy and the Maghreb Countries', *European Foreign Affairs Review*, 2/3: 307-28.

⁴⁴ Cassarino J. (1999) 'The EU-Tunisian Association Agreement and Tunisia's Structural Reform Programme', *Middle East Journal*, 53/1: 59-74; Blanchot R. and Bigeni M. (2000) *La Tunisie de Ben Ali et le Partenariat Euro-Méditerranéen* (Toula, Institute Méditerranéen d'Etudes Economiques et Financières); Mohamedou, 'The Rise and Fall': 234; Financial Times Survey 11 April 2000: III; Lawson, 'Syria Resists'; Kienle, 'Authoritarianism Liberalised': 209-11; Schlumberger, 'The Arab Middle East': 122; Salah N. (1998) 'Global Euro-Mediterranean Partnership', *Journal of North African Studies*, 3/2: 44; Leveau R. (2000) 'Esquisse d'un Changement Politique au Maghreb?', *Politique Etrangère* 65/2: 499-507.

⁴⁵ The large number of critiques of this aspect of the EMP includes: Hunt D. (1998) 'Development Economics, the Washington Consensus and the Euro-Mediterranean Partnership', *Journal of North African Studies*, 3/2: 16-39; Marks J. (1998) 'The European Challenge to the North African Economies: the Downside to the Euro-Mediterranean Policy', *Journal of North African Studies*, 3/2: 47-58; Smith C. and Lahteenmaki K. (1998) 'Europeanization of the Mediterranean Region: The European Union's Relations with the Maghreb', in Cafruny A. and Peters P. (eds), *The Union and the World: The Political Economy of a Common European Foreign Policy* (The Hague, Kluwer Law International): 166.

⁴⁶ Commission of European Communities (1998) *Implementing MEDA 1996-7*: 8

⁴⁷ Cox A. and Koning A. *Understanding European Community Aid* (London, ODI, 1997)

⁴⁸ See Euro-Mediterranean Human Rights Network (2001) *Rule of Law, Democracy and the Euro-Mediterranean Partnership*, Report from the Human Rights Workshop at the Civil Forum, Marseilles, 10-12 November, p.81

⁴⁹ Gillespie, 'Spain', *op. cit.*, p.19

⁵⁰ Commission of the European Communities (2000) *The Barcelona Process Five Years On 1995-2000* (CEC, Brussels), p.19

⁵¹ EIDHR Compendium 2001

⁵² Presentation by the Director of the Commission's Middle East Unit, NUI, Oslo, April 2002

⁵³ Figures on democracy assistance presented here are taken from: Euronet Consulting (1999) *Evaluation of the MEDA Democracy Programme*; Commission of the European Communities (2000) *Implementation of the Democracy and Human Rights Initiative 1996-99* (Brussels, Commission); Delegation of the European Commission to Morocco (1999) *The Meda Democracy Programme. Information Note*.

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- ⁵⁴ For more on this relationship between the good governance and democracy agendas, see Youngs R. 'European Union Democracy Promotion Policies: Ten Years On', *European Foreign Affairs Review*, 6/3: (2001), p.9
- ⁵⁵ Commission of the European Communities (1996) *Report on the implementation of measures intended to promote the observance of human rights and democratic principles*: 31; *Bulletin of the European Communities* 1997, 30/6: 29-31.
- ⁵⁶ Interviews, FCO, London, March 2000, Commission Delegations, Rabat and Cairo, Spanish, French and UK Embassies, Rabat and Cairo, November 2000.
- ⁵⁷ *Agence Europe* 19 April 1999: 15; Interview, French Mission to the EU, Brussels, March 2000
- ⁵⁸ Interview, Commission, Brussels, January 2001
- ⁵⁹ Euronet Consulting, *Evaluation of the MEDA Democracy Programme*
- ⁶⁰ Karam A.M. (1997) 'Islamist Parties in the Arab World: Ambiguities, Contradictions and Perseverance', *Democratization*, 4/4: 170
- ⁶¹ Interview, Commission Delegation, Cairo, November 2000.
- ⁶² Barrenada I. (1998) 'La Cooperacion No Gubernamental Espanola en el Magreb', *Revista Espanola de Desarrollo y Cooperacion*, 2: 125
- ⁶³ Youngs R. (1999) 'The Barcelona Process after the UK Presidency: The Need for Prioritization', *Mediterranean Politics*, 4/1: 14
- ⁶⁴ Weiss and Wurzel, *The Economics and Politics of Transition*: 154.
- ⁶⁵ The breakdown of EU aid is given in Assenburg and Perthes (eds), *The European Union and the Palestinian Authority*: 31 and 46
- ⁶⁶ Euronet Consulting, *Evaluation of the MEDA Democracy Programme*; *Agence Europe* 17/18 April 2000: 5
- ⁶⁷ Haddadi S. (2002) 'Two Cheers for Whom? The European Union and Democratization in Morocco', in Gillespie R. and Youngs R. (eds) *The European Union and Democracy Promotion: The Case of North Africa* (London, Frank Cass), p.161
- ⁶⁸ Commission of the European Communities (2002) *Algerie: Document de Strategie 2002-06*
- ⁶⁹ *Agence Europe* 26 April 2000: 13
- ⁷⁰ Quotes from Commission (2002) *Egypt: Country Strategy Paper 2002-6*: 34-6
- ⁷¹ Ehteshami A. (1999) 'Is the Middle East Democratizing?', *British Journal of Middle Eastern Studies* 26/2: 203.

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SECULARISATION AND INTER-RELIGIOUS DIALOGUE AS A MEANS FOR DEMOCRATISATION AND REGIONAL INTEGRATION IN THE SOUTHERN MEDITERRANEAN

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Many a student of the Southern Mediterranean have been impressed by the close interconnection between identity, culture and religion in the geographical space that has witnessed the emergence of the three great monotheistic religions. And even though one may be critical of the tendency of several scholars, reinforced by the climate that followed the terrorist attacks of September 2001, to refer to theology in order to explain the region's aspirations or shortcomings¹, it would be superficial to undertake any analysis of the current political, social or even economic situation in the Southern Mediterranean without taking into consideration the important role religions have played (and continue to play) in the shaping of the identities, values and expectations of its peoples. The unique links between Islam and the Arab language and culture and those, equally unique, of Judaism with Hebrew language and culture, are a fact acknowledged by even the most secular local intellectuals². As for the region's smaller, and less well-known in the West, Christian component, it is also true that, despite of the fact that most of its constituents are today Arabic-speaking and often highlight their communities' contribution to Arab cultural life, especially during the "nahda" period³, references to the pre-Islamic Coptic, Phoenician, Hellenic or Aramaic past are very common in the discourse of their leaders and intellectuals⁴, whilst, at the same time, most Oriental Christians continue to be more open to influences coming from the "co-religionist" West⁵ than their Muslim compatriots.

¹ Jacques Rollet's (University of Rouen) article in the Belgian newspaper "Le Soir" of 09/10/2001, reproaching to French political scientists to be too centred in their sociological analysis of the Islamic world, thus neglecting theology, is an eloquent example of this tendency. See also the article of Francis Fukuyama in *Le Monde* of 18 October 2001 and the interview of the Nobel award-winner author V.S. Naipaul in *La Libération* of 6 December 2001, both viewing "holy war", intolerance and authoritarianism as inherent characteristics of Islam and of the Muslim societies.

² Michel 'Aflaq, main theorist and founder of the secular, left-wing nationalist Ba'ath party thought that "*The Arab nation has been formed by a great historical experience, the creation by the Prophet Muhammad of the religion of Islam and the society which embodied it*". According to 'Aflaq, who was born a Greek-Orthodox Christian, "*This experience belonged not only to Arab Muslims, but to all Arabs who appropriated it as their own, and regarded it as the basis of their claim to have a special mission in the world and a right to independence and unity*". A. Hourani (1991) *A History of the Arab Peoples*, Warner Books, New York, p.405. On the other hand, Izio Rosenman (CNRS) observes that, "*The Jewish religion has been throughout the centuries the container of the Jewish identity and memory. It is undoubtedly this millenary tradition, rich in ethical experiences, that continues to inspire today secular and non-secular Jews, as it inspires a part of the Western World as well*". I. Rosenman, *Juifs laïques: du religieux au culturel*, in *Panoramiques*, Paris, 4th trimester 1992.

³ See J-P. Valognes (1994) *Vie et mort des Chrétiens d'Orient*, Fayard, Paris and T. Mitri: *Qui sont les Chrétiens d'Orient ?* in "*Version originale*", Paris, April 1998.

⁴ See for example the interview of Georges Rahmé (Lebanese University) in "*Solidarité – Orient*", Ath, July – September 1997, and the covering of the 5th Colloquium on the "Syriak patrimony" (Lebanon, August 1997) in the same issue. C. H. Dagher argues that the "Phoenician" historical and cultural claim was the "*political embodiment of the national aspirations*" of the Maronites "and would span from the founding of "Greater Lebanon" (1920) to the post-independence years and even until the onset of the troubles" (the Lebanese civil war) C. H. Dagher (2000) *Bring Down the Walls Lebanon's Post-War Challenge*, St.

It might be tempting, and in fact it is for some, to deduct from these evident links uniting religions with the three dominant cultures and identities of the Eastern Mediterranean, that the region constitutes a "world apart", untouched by the secular tendencies dominating its so close European neighbourhood and characterised by a unique precedence of the spiritual over the profane in all aspects of life⁶. However, Southern Mediterranean people are by no means pre-determined to be more spiritual or more religious than their Northern neighbours and co-religionists. Religions, ideas and ideologies do not exist independently from the people who adhere in them, nor can history be explained by theology. A close look to other regions of the planet is sufficient to demonstrate the existence of tight links between identity and religion in several peoples, a phenomenon often due to a need of auto-definition and differentiation from a neighbouring "other", specially in cases where the cultural proximity with this "other" and the competitive relations between the two, can seriously put in danger the very survival of the specificity that a community is used to consider as fundamental of the "self"⁷. Identities are in fact social constructions built in order to distinguish the "self" from the "other" and thus they do not exist per se but are constantly re-inventing themselves in a framework of an ongoing interaction with the "other"⁸.

Notwithstanding the above, it is difficult to deny that religion, as a constitutive element of identity, has unavoidably been and continues to be an important component of the conflict(s) long-time dividing the people of the Southern Mediterranean. At the same time, it is also true that after a period of relative absence from the political sphere, a religion-based discourse, often quite radical, has made a spectacular come back in the regional political scene, especially after the success of the Iranian Islamic revolution of 1979-80 and the failure of the secular-minded socialist, Ba'thist or Nassirist regimes to fulfil their promises for development, social justice and restoration of the national dignity, traumatised by the Arab defeats of 1948-49⁹ and 1967. This come back of religion has coincided with a reverse of the (already weak) democratic acquis and

Martin's Press, New York, p.21. See also X. de Planhol (1997) *Minorités en Islam*, Flammarion, Paris, on the tendencies for political autonomy in the past amongst the Maronites and the Copts.

⁵ According to Professor Selim Abou, rector of the famous St. Joseph University of Lebanon, "For Christians, Western civilisation, even in its most secular aspects, remains the inevitable depository of their anthropological and spiritual references". C. H. Dagher op. cit., p. 23.

⁶ "Religion is present on this land, it is present in the mentalities, in the traditions, in the collective reactions, more than elsewhere" writes Gabriel de Broglie in the preface of the acta of the colloquium "Le facteur religieux dans les conflits du Moyen-Orient" (Fondation Singer-Polignac, Paris, 1999). However, such an approach is not solely adopted by Western scholars or commentators. Many among the spiritual leaders of the three dominant religions of the Eastern Mediterranean take pride in this "central role religion plays in society – in shaping, developing and advancing society", to quote Dr. Habib Badr, Pastor of the National Evangelical Church of Beirut ("Divinity, Diplomacy and Development", unpublished). For several of them, one of the basic points critically differentiating the Southern from the Western coast of the Mediterranean is respect for religion and religion-based traditions: see S. Radi: "L'image de l'Occident chez les prêcheurs Musulmans et Coptes", in *Egypte – Monde Arabe*, Cairo, 2nd and 3^d trimestre 1997.

⁷ The link between the Arab identity and Islam can be, for example, compared with the one connecting Roman Catholicism to the Polish and the Irish identity, both forged in an historical context dominated by a stronger and culturally close neighbour (Russian, English). Other historical conditions presenting a number of similarities with those that connected Islam and Judaism to the Arab and Hebrew people's sense of self-identity during the process of nation-making, are those that led to the linking of Greek-Orthodoxy to the Hellenic or the Russian identity.

⁸ See for example the classical work of F. Barth (1969), *Ethnic Groups and Boundaries*, Little, Brown and Co., Boston, partim.

⁹ The 1948-49 Arab-Israeli war is still referred to by many in the Arab world as "Al-Nakba", the disaster

the sclerosis of regimes in several of the Southern Mediterranean States¹⁰ without certainly being the exclusive reason of this evolution. More recently, the frustrations caused by the second Gulf War and the collapse of the Israeli-Palestinian peace process that followed it, along with the continuing socio-economic shortcomings of the region, have gained new audiences for political groups claiming a (more or less) fundamentalist religious adherence and have further accentuated the centuries-old tendency of local authoritarian regimes to use religion as a means for legitimisation¹¹.

In Europe, and in general in the West, a lot has been written since the beginning of this "sacralisation" of political discourse in the Southern Mediterranean in order to explain the phenomenon and to attempt an evaluation of its possible evolution¹². In this paper, we propose to highlight some of the less often mentioned mechanisms that perpetuate the maintenance of an "umbilical cord" between identity and religion in the region, to stress the impact this link has as regards to the local visions of Europe and the West in general and to discuss possible ways to use religion as a factor of democratisation and regional integration.

Most of the analysts of the interaction between religion and politics in Europe's Southern and South-eastern border¹³, have identified three elements as the principle cause for the (re) emergence of religion as a key player on local political scenes:

- The regional secular regimes' failure to combat corruption and ensure decent socio-economic conditions of life to their growing populations¹⁴;
- The excessively authoritarian nature of several of these regimes in the context of which religion becomes a means of legitimisation for the rulers whilst providing at the same time the most important if not the only available space of freedom for the ruled¹⁵;

¹⁰ Political evolution in Algeria, Tunisia, Egypt, Syria, Iraq, Jordan and even Turkey can provide several examples of the above. Georges Corm, former Lebanese minister of finances even argues that the Iranian revolution, "called religious", has paradoxically served to cement for a period the authoritarian Arab regimes, too scared by the subversive power of the Khomeinist ideology (G. Corm (1997) *Le Proche-Orient éclaté – II, La Découverte, Paris*, pp34-44).

¹¹ Thus for example, at the level of symbolic, the very secular Saddam Hussein has added an inscription of the Islamic creed (There is no other God but God and Muhammad is the messenger of God) on the Iraqi national flag, whilst the political discourse on Palestinian liberation is becoming the more and more "Islamised" (see for example: *Le Monde Diplomatique*, March 2001). The fundamentalist views defended by some of the religious parties in Israel and the use of a radical discourse by some of the leaders of the Christian communities (notably the Coptic one) prove that the phenomenon concerns all the national / religious/ cultural families of the region and is not limited to its Islamic constituent.

¹² It would be impossible to mention here all that has been written on the "coming back" of religion in Arab and Israeli societies and especially on the emergence of a radical political Islamic discourse. We believe however that it is interesting to note that not all of this literature adopts a pessimistic view of this evolution. Some of its (Western) analysts have in fact considered the phenomenon as fertile, as an indispensable step towards modernity (see F. Burgat(1995) *L'islamisme en face, La Découverte, Paris*), whilst for some others, the re-Islamisation of Muslim societies is viewed as a culturally different way to reach modernity (see L. Binder (1988) *Islamic Liberalism A critique of Development Ideologies, The University of Chicago Press, Chicago* and J.L. Esposito (1995) *The Islamic Threat. Myth or Reality? Oxford University Press, Oxford*)

¹³ We are referring of course here to those who have not opted for a theological explanation of the phenomenon.

¹⁴ Burhan Ghalioun eloquently refers to this failure of the secular Arab regimes as "la modernité trahie" (B. Ghalioun (1997) *Islam et Politique, la modernité trahie, La Découverte, Paris*). In his recent book on Islam and modernity, Bernard Lewis observes that "these regimes have failed every test except survival" (B. Lewis (2002) *What Went Wrong? The Clash between Islam and Modernity in the Middle East, Weidenfeld & Nicolson, London*, p.158).

- A feeling of "collective loss of dignity"¹⁶ due to the humiliation and marginalisation of the Arab world after its repetitive failures to assist the Palestinian cause.

At the same time, the ongoing frustration due to the lack of security within the Israeli borders and the fear of persecution due to the raising popularity of movements calling for the establishment of Islamic governments based on the shari'a, could be proposed as (non exclusive) causes of the re-sacralisation of the Jewish and Oriental Christian political scenes respectively¹⁷.

Notwithstanding how pertinent such analysis might be with regards to the causes of the reposition of religion in the centre of the regional political debate, it is important to keep in view the fact that Judaism, Islam and Christianity, have always been used in the history of the Mediterranean as banners in order to mobilise energies and people, legitimise expansions and wars and boost community loyalties¹⁸. Being in the very heart of the fundamental myths of the Arab, Jewish and, at a lesser extend, Christian¹⁹ constituents of the local mosaic religion was in fact the surest means to ensure wide support for causes that rarely had anything to do with spiritual issues²⁰. The Southern Mediterranean has never in fact experienced movements similar to the great philosophical and revolutionary changes²¹ that reshaped dramatically the nature of relations between religion and identity and religion and politics in Europe and the West.

The *millet* system

¹⁵ See for example the interesting article of Fethi Benslama (Université Paris VII) in *Le Monde* of 28 November 2001, in which the author denounces the manipulation of religion by the ruling families of the wealthy Gulf Monarchies in order to perpetuate authoritarian forms of government in the Arab world. Also see G. Corm, *op. cit.*, *partim*.

¹⁶ G. Corm, *op. cit.*, p. 205

¹⁷ The crucial importance of the religious parties in the Israeli political scene and the raise of the importance of religious leadership within the Maronite and Coptic communities are some of the most visible effects of the re-sacralisation of these communities' political life.

¹⁸ In his very controversial work "The Clash of Civilisations and the Remaking of World Order", Samuel Huntington observes that "From its origins Islam expanded by conquest and when the opportunity existed Christianity did also. The parallel concepts of "jihad" and "crusade" not only resemble each other but distinguish these two faiths from other major world religions" (S. Huntington (1998) *The Clash of Civilisations and the Remaking of World Order*, Touchstone, London, p. 211). Judaism on the other hand has served as rallying cry for all the combats of the Hebrew nation, eloquently described in the Bible, for the conquest of the "Promised Land". It has also been extensively used by the secularist Zionists in the struggle for the (re)creation of the State of Israel. Zeev Sternhell (The Hebrew University of Jerusalem), observes in fact, that, even though Zionists have tried to translate Jewish specificity into political and modern (secular) terms, they were still based on a Jewish national, historical, religious identity, in a framework where liberal universalism or Marxism had no significance. Sternhell argues that Zionism is primarily a cultural nationalism, "a nationalism with religious connotation, where secularism has always been very superficial. This explains why the symbiosis of secular with religious Zionism has seemed to be so natural." J. Lenglet-Ajchenbaum & Y-M. Ajchenbaum(2000) *Les Judaïsmes*, Gallimard, Paris.

¹⁹ Pre-Christian past (Pharaonic Egyptian, Assyrian, Phoenician) is still quite present in the fundamental myths of the Coptic, Syriac-Chaldean and Maronite communities respectively.

²⁰ A. Hourani, *op. cit.* argues that, "Whether they lived within the Ottoman Empire or outside its frontiers, those who professed faith in Islam and lived through the medium of the Arabic language had something in common which was deeper than political allegiance or shared interests. Among them, and between them and those who spoke Turkish or Persian or the other languages of the Muslim world there was a common sense of belonging to an enduring and unshaken world created by the final revelation of God through the Prophet Muhammad".

²¹ The Renaissance, the "Lumières", Socialism, Marxism, the French and Russian Revolutions, had only a very limited effect in North-African and Middle Eastern societies and States. See B. Lewis (1995) *The Middle East 2000 Years of History from the Rise of Christianity to the Present Day*, Weidenfeld & Nicolson, London, pp305-331.

Ruled by the Ottoman Empire²², most of the region has lived until practically the end of World War I²³ under a unique system of government, the basis of which were "nations" (*millet*) defined by their religious affiliation. Members of each of these *millet* were governed by their own religious leaders and laws/traditions as regards to all matters touching their personal and family status, and were enjoying a broad communal autonomy in exchange to their allegiance to the State and their acceptance of the dominant position of the Muslim community (*millet –l hakime*) along with the limitations and disabilities that this dominant position was signifying for their own status as citizens/subjects²⁴.

The impact of this system, which applied uninterruptedly for several centuries in the biggest part of the Southern Mediterranean²⁵, is still immense in most of the countries that emerged from the dissolution of the Ottoman Empire. With the notable exception of the Empire's most direct successor, the secular Republic of Turkey²⁶, variations of the *millet* system continue to apply nowadays in the majority of South Eastern Mediterranean States, including Israel. In practice, and in the framework of the local mosaic-like societies, the direct consequences of this system for Southern Mediterranean societies are:

- The establishment of inflexible frontiers between religion-based communities;
- The embodiment of religious authorities with a concrete judicial power over their folk;
- The perpetuation of sectarian loyalties within the society and the functioning of religion itself as the hard core of an exclusive identity.

The system is making in fact almost impossible inter-community movement for the citizens and is encouraging the persistence of traditional and potentially conflict-generating forms of identity perception²⁷ as well as clientelistic relations between community and State leaderships. It is obvious that such a system, along with the above mentioned general conditions that contribute to the sacralisation of the political discourse, leaves very little, or no space at all for the

²² Exactly like the Medieval European States and its predecessor, the Eastern Roman (Byzantine) Empire, the Ottoman State was officially proclaiming itself to be a religion-based entity, "with the God-given duty of maintaining and applying the Holy Law and extending the area in which it prevailed". B. Lewis (1995), *op. cit.*, p. 305.

²³ Western-inspired attempts to modernise the Ottoman State, such as the "Tanzimat", or the (quite secular) constitution of 1876 had only a very relative and short-lived success.

²⁴ B. Lewis (1995), *op. cit.*, pp. 321-322. Besides the Muslim, the Christian (Greek-Orthodox) and the Jewish were the most important of the *millets* of the Empire. The successive divisions of the Christian communities however, mainly due to the missionary activity of the Roman Catholic Church (assisted by Western powers) among the Oriental Christians, has led to the establishment of new *millet* in order to franchise the members of the "uniate" Churches from the authority of the Greek-Orthodox Patriarch.

²⁵ As well as in the European provinces of the Empire. It is interesting to note that the article 42 of the Lausanne Treaty (1923) guaranteeing family and personal status law "in accordance with the customs of (the) minorities" is still applying with regards to the Muslim minority of Western Thrace (Greece), making the latter the only community in the EU space to still live under the *millet* system! See T. Koutroubas (2001) *Trapped in Enemy Territory or Pilots towards Regional Integration? A Challenge for Democracy in the South Eastern Mediterranean Region*, European University Institute Working Papers, RSC No. 2001/19, Badia Fiesolana, San Domenico.

²⁶ Officially secular, the Turkish Republic continues however to exercise a very active control over ministers of religion and reserves itself the right to veto the investiture of the leaders of its religious minorities.

²⁷ Goncourt award-winner Lebanese author Amin Maalouf defines this reduction of identity to one adherence, as a result of the confessional *millet* system as "deadly identities". He argues that this concept "installs human beings in a partial, sectarian, intolerant, dominating and often suicidal attitude, frequently transforming them into murderers or partisans of murderers.... Their vision of the world is biased and distorted", A. Maalouf (1998) *Les Identités Meurtrières*, Grasset Paris, p.26.

dissemination of ideas contradicting sectarian "orthodoxies" or regarding religion in general as a private and spiritual rather than as a community and political adhesion.

The absence of clergy / central religious authority

Vested with powers that far exceed their spiritual authority, religious leaderships in the region are thus called, and are expected to play a particularly important role at the social and political level. However, unlike the Christian communities, which are traditionally organised on a hierarchical base topped by the clergy and, in most cases, by a supreme head centralising loyalties and guaranteeing the uniformity and the "orthodoxy" of the Churches teaching and public discourse, neither the Muslim nor the Jewish communities dispose of clerics or leaderships similar to those of their Christian counterparts²⁸. 'Ulama and rabbis are in fact considered to be simple students and interpreters of the Holy Law without any sacerdotal functions and even though some among them, like the Imam of the famous Al-Azhar Islamic University of Cairo or the Grand-Rabbis, are enjoying a broader recognition of the "orthodoxy" of their religious views and judgements by the community, their authority cannot be compared with that of the Christian Bishops who possess concrete administrative and sacerdotal power over their fellow clerics and faithful.

In the case of Islam, practice has proved, at least in the years following the collapse of the Ottoman Empire, that the lack of a "sacred" authority, instead of facilitating the evolution of religion into a personal, intimate spiritual conviction, coupled by a never-ending effort to seize its most profound meanings (*ijtihad*), as many say it was meant to do²⁹, has instead made it an easy prey to all kind of authoritarian regimes in need of legitimisation and has led to its manipulation for political purposes. This absence of a central authority detaining the power to define religious "orthodoxy" and to sanction "heretical" discourse makes it in fact impossible to credibly and authoritatively legitimise the labelling of any exegesis of the coranic message as false, notwithstanding how fundamentalist this exegesis might be. Political opposition groups have quickly understood the rallying force religion could represent in such a context. At the same time, local governments in lack of democratic credentials are using the fundamentalist views of religious-minded political movements as an excuse, in order to reinforce their control of the nominations of Muslim preachers³⁰ and to put their sermons and explanations of the holy law at the service of their own strictly profane/political causes.

It is interesting to note here that this instrumentalisation of Islam is not without consequences for Europe, where Muslims constitute today one of the largest religious communities, mainly issued from immigration. The reluctance of European governments to provide Islam with a legal

²⁸ Judaism did dispose of a hierarchically organised clergy until the second destruction of the Temple and the suppression of the Jewish revolt by the Roman emperor Adrian (132-135 CE). For some scholars, the hierarchical organisation of the Iranian Shi'a 'ulama, especially after the establishment of a position of supreme spiritual leader by the Constitution of the Islamic Republic, can be compared to that of a clergy. The abolition of the caliphate by Kemal Ataturk in 1924, deprived Sunni Islam from its only remnant of a personalised supreme authority.

²⁹ See for example B. Ghalioun, *op. cit.*, pp. 197-208

³⁰ The programme launched by the Egyptian government in 1993, aiming at preventing Islamists from using mosques for the propagation of their ideas is an example of this tendency. In the framework of this programme, a law was adopted in order to make it illegal to preach without the authorisation of the ministry for religious affairs. This action was severely criticised by many 'ulama, who noted that traditionally no one needs an authorisation to preach in the Muslim community. (see S. Radi, *op. cit.*)

framework similar to that applying to the other religious communities within their borders³¹ and the lack of institutions of Islamic theological formation in Europe, have enabled Northern African and Middle Eastern authorities to extend their control of religious teaching over Muslim communities in the old continent³². At the same time, this absence of a Europe-based (and Europe-minded) Islamic religious infrastructure has also paved the way to supporters of fundamentalist approaches of religion, the teachings of whom contribute to the continuation of the European Muslim communities' social marginalisation³³. The multiple socio-economic issues facing immigrant communities are of course a major cause of the vulnerability of a number of Western Muslims to religion-based radical discourse.

On the other hand, the extreme fragmentation of the Christian communities made them also easier to control and manipulate in the context of *millet*-like systems and/or authoritarian regimes, despite the highly hierarchical organisation of most of them. And in this case, practise has proved that the modern character of the general provisions of the majority of the regional constitutions, guaranteeing freedom of religion and equality of rights for all citizens, did not prevent the persistence of *millet* practises, such as the right of the State to name, confirm or revoke the investiture of religious authorities³⁴. Directly answerable to the State, Christian leaderships have to constantly prove their loyalty, and that of their community/Church, to the latter, in order to maintain their communities' internal autonomy and their own State-granted position. Furthermore, the re-sacralisation of political discourse, the popularity of movements claiming the establishment of theocratic regimes (with all this signifies for religious minorities) and the tendency of several States to accentuate their confessional character as a reaction to the above, has not been beneficial for the evolution of minority rights in general in the region. This situation has also accentuated the tendency of several Christian leaderships to provide more secular-minded authoritarian regimes with an unconditional support, considering them to be less dangerous for their communities' interests than their fundamentalist opponents³⁵. At the

³¹ A reluctance probably due to the thought that the presence of Islamic communities was provisional, their constituents expected to return to their homelands after a period of working as immigrants. See T. Ramadan, *Les musulmans du Vieux Continent sortent de l'isolement*, in *Manière de voir* 48, *Le Monde diplomatique*, November-December 1999.

³² See for example *Le Monde*, 30 November 2001, for a description of the attempts of the Moroccan and Algerian governments to continue their control over French Islamic communities after the decision of the French government to create a single body, the "Conseil Français du Culte Musulman", to represent Islam to the public authorities.

³³ See for example the interview of the Mufti of Marseilles, Soheib Bencheikh in the *International Herald Tribune* of 30 November 2001, in which he denounces the influence of Islamic fundamentalist groups over Muslim institutions in France, where "The vast majority of the Muslim community is committed to integration into French society on the basis of respect and understanding."

³⁴ The current refusal of the Israeli government to recognise the investiture of Irinaios I as Patriarch of the Greek-Orthodox, Arab-speaking community of Israel, Jordan and the Occupied Territories more than one year after his election, despite of the acknowledgement of the legitimacy of his election by all Greek-Orthodox Churches world-wide and by the Jordanian and Palestinian Authority governments, illustrates the persistence of such practises even within the most democratic Southern-Mediterranean States. It is interesting to note that in many countries of the region, Israel and Turkey included, the government also reserves the right to approve the list of eligible candidates for a position of supreme religious leader.

³⁵ The speeches of the Patriarch of the Chaldean Church, Mgr. Rafael Bidawid, representing the biggest Christian community in Iraq, before, during and after the cold war, are eloquent examples of the above: "Your media have demonised him (Saddam Hussein). They have not understood his psychology nor that of the Iraqi people. This man is seeking the good of his country and of the Arab world. ... (Freedom of religion) is better guaranteed in our part of the world than in yours (the West). What rights remain to the believers in Europe, where divorce, abortion and homosexuality are encouraged? Iraq is a secular State.

same time, the guarantees the perpetuation of *millet*-like systems provide for the privileges and the authority of religious leaders as incontestable community heads made several of them reluctant to work for the systems' change³⁶, and that despite of the fact that State confessionalism and segregation on the basis of religious beliefs are officially denounced by "sister"-Churches in the West.

It is worth noting that in the past Europe had often used these communities as an excuse in order to acquire economic and political privileges and influence in the region³⁷. These interventions of European powers in the Middle East officially aiming to protect Oriental Christians have discredited the latter in the eyes of their Muslim compatriots and have generated distrust and even violence between religious communities³⁸. Today, several among the Southern Mediterranean Christian intellectuals are warning against the negative consequences the Western-born movement to demand reciprocity of treatment between Muslims in Europe and the Western World on one hand and Oriental Christians on the other hand, would have for the latter, in a socio-political context marked by the raise of fundamentalism and the politicisation of religious discourse³⁹.

Mainly limited in Israel, the Jewish communities of the Southern Mediterranean⁴⁰ do not face the same problems regarding State control and censorship of religious ministers as their Islamic and Christian counterparts. However, the (non secular) Israeli State continues to apply the *millet* system exactly as inherited by the Ottoman Empire and conserved during the British mandate⁴¹ with all the above-described consequences this form of socio-political organisation has for inter-community relations, State-Church dynamics, and democracy itself⁴². At the same time, and

Our leader (rais) goes to the mosque with his court (sic), but he is of Christian origine"!! Le Vif/L'Express, 20 March 1998.

³⁶ Pleading for the maintenance of confessionalism in Lebanon, the rector of St. Joseph University, Selim Abou, a Roman Catholic priest himself, argues, for example, in favour of a "differentiated citizenship", based on individual freedom, the equality of citizens and, last but not least "the institutional recognition of the citizens' communal and cultural affiliations" as opposed to a uniform citizenship. C. Dagher, *op. cit.*, p. 23.

³⁷ For a detailed history of Europe's relations with these communities see J-P Valognes, *op. cit. partim*. Often secular at home, European powers have played the card of protection of Christian co-religionists in the Southern Mediterranean in order to acquire economic control within the Ottoman space. The ceremonial links of several European consulates in Jerusalem with the local Christian authorities are nowadays amusing relics of this era, specially in what regards the religious obligations of the Consul of the very secular (and often anticlerical) French Republic! See *Le Monde* of 16 November 1999.

³⁸ See Y. Courbage & Ph. Fargues (1997), *Chrétiens et Juifs dans l'Islam arabe et turc*, Payot, Paris, pp. 170-181.

³⁹ See for example, T. Mitri, *Justice, Droits de l'Homme, Dignité nationale : Un enjeu pour les Chrétiens et les Musulmans dans le monde*, in *Musulmans et Chrétiens, Politiques d'Accueil dans les Terres d'Origine et d'Immigration*, Bajad, Paris, 1999.

⁴⁰ One of the consequences of the creation of the State of Israel was the almost complete dismantlement of North African and Middle Eastern Jewish communities who used to be particularly prosperous and creative in the years before World War II. According to Y. Courbage & Ph. Fargues, *op. cit.*, pp. 262, these communities represent today the 56% of the population of Israel.

⁴¹ See J. Algazy, *Ces "hommes en noir" en Israël*, in *Manière de voir* 48, *Le Monde diplomatique*, November-December 1999. See also J-P Valognes, *op. cit.*, p. 575.

⁴² In an interview published in *Le Soir* of 9 April 1998, Knesset Member Azmi Bishara, an Arab Israeli, describes the absurd situations such a confession-based system can create: "And me, a "Christian", an atheist, I must discuss in the Knesset the issue of who can be considered a Jew, which law on conversion is the best.... Theology, but theology that determines who can become an Israeli citizen." The Nazareth mosque issue, related to the permission granted by the Israeli authorities to Nazareth Muslims for the construction of a mosque in a site very close to the Marian shrine venerated by the Catholic Arabic

despite of the existence of several progressive schools of thought within nowadays Judaism⁴³, the religious affairs in Israel regarding the Jewish community are administered by the ultra-conservative orthodox rabbinate. The latter stands for a very exclusive definition of Judaism and uses its public authority in order to condone practises aiming to give the State a completely theocratic character, and to encourage discrimination towards "heretical" Jews and non-Jewish citizens alike⁴⁴. The raise of the importance of political parties claiming adherence to radical forms of Judaism and the use of religious discourse by State authorities in order to support national causes⁴⁵, proves that despite of the incontestable exercise of democratic freedoms severed elsewhere in the region, the State of Israel does face the same problems with the rest of the Southern Mediterranean as regards to the raise of religious fundamentalism and the sacralisation of political discourse. This general sacralisation of political discourse in the region, in the context of sectarianism, inter-community animosity and mistrust characterising *millet* based societies, is further embittering the ongoing violent conflict between Israelis and Palestinians since the launching of the second intifada⁴⁶, thus weakening chances for a realism-based solution⁴⁷.

community of the city is an eloquent example of the pervert dynamics between State and religious communities created by a *millet*-like system. In the context of the tension this decision of the Israeli authorities has generated between Muslims and Christians in Nazareth, the leaders of all Christian communities in the country have denounced the government's authorisation of the mosque building as an attempt to divide Israeli Arabs over confessional issues. *Le Monde*, 25 November 1999.

⁴³ Notably those of Reformed and Conservative Judaism, to which belongs the majority of the numerous American Jewish community. See J. Lenglet-Ajchenbaum & Y-M. Ajchenbaum, *op. cit.*, pp. 256-262.

⁴⁴ See J. Algazy, *op. cit.* The long battle (11 years) of women for the right to hold group services at the Western Wall (under official regulation, carrying a penalty of up to six months in prison, they were only allowed to pray there individually) and the reactions the Israeli Supreme Courts decision to grant this right has provoked among the orthodox religious establishment is an eloquent example of how influential the position of the orthodox rabbinate can be within the State of Israel. See *International Herald Tribune*, 23 May 2000.

⁴⁵ The welcoming speech of Israeli President Weizman to Pope John-Paul II during his official visit to Tel Aviv in March 2000 is an example of the tendency of Israeli secular authorities to use religious discourse in order to support national causes: "Many generations have passed since the beginning of our people's history, yet they seem to us like a short time. Only 200 generations since the emergence on the stage of history of a man called Abraham who left his home and native land and went to a place which is today this, my country. Only 150 generations have passed from the pillar of the fire that signalled the redemption of the Exodus from Egypt until the pillars of smoke that signalled the destruction of the Holocaust. Your Holiness, you are arriving this evening in Jerusalem, the city of peace, the capital of the State of Israel....it is the city of the judges of Israel, the kings of Israel and the prophets of Israel, the capital and source of pride of the State of Israel". See the web site of the Franciscan Custody of the Holy Land: www.custodia@netvision.net.il

⁴⁶ It is significant that even the name of the second intifada (Al-Aqsa) has a strong religious connotation (the Dome of the Rock, one of the major holy shrines of the Muslim religion). See *Le Monde diplomatique*, March 2001, *op.cit.*

⁴⁷ Yasser Arafat's frequent references to the second intifada as a "jihad" (see for example *The International Herald Tribune* of 13 November 2000 "Arafat Extols "Noble Cause" of Holy War") and the declarations of Israel's public authority-vested chief rabbis forbidding the giving up of Israeli sovereignty over the temple Mount (*The International Herald Tribune*, 5 January 2001), are an example of the impasses such a sacralisation of the conflict leads to. See also the interesting article of Mouna Naim in *Le Monde* of 14 October 2000, in which the author argues that the sacralisation of the conflict doesn't serve any of the parties involved because it makes difficult the discussion of the strictly political causes of the intifada. Supporting this view, the former minister of finances of Lebanon and well-known analyst of the region Georges Corm fears that "The religious and mystical Muslim and Jewish exaltation directly leads both populations to suicide" *Le Monde*, 23 May 2001.

A threat for Europe

The recent increase of violent incidents between religious and ethnic communities in the West, specially after the events of September 2001 and the escalation of horror in the Middle East⁴⁸, has unfortunately proved that the situation in the region is not without consequences for the European secular multicultural societies.

Terrorist attacks and images of atrocities in the Occupied Territories are contributing to cement mutual stereotypes that have been nourished by centuries of competitive, often conflictual coexistence and by a mutual ignorance of the other. Despite of their long history of mutual interaction, religious and cultural communities of the two sides of the Mediterranean are in fact still quite ignorant of the fundamental values and beliefs of their, so neighbouring "other"⁴⁹. In Europe, such stereotypes are actively promoted and manipulated by the extreme right wing or populist parties who find in them an easy way to multiply their electorate. Besides the evident danger the raise of popularity of these parties represents for European democracies, their xenophobic and anti-Islamic⁵⁰ discourse is further cementing anti-Western feeling among Muslim communities in Europe and the Southern Mediterranean, thus creating a potentially explosive vicious cycle. On the other side of the Mediterranean at the same time, and in Europe itself in what regards mostly its Muslim immigrant community, preachers from all the three confessional families of the region⁵¹ and groups claiming a religious adherence, advance and propagate such ideas, reinforcing them with theological vocabulary and religion-based arguments.

The characteristics of the publics both European extreme-right wing politicians and Southern Mediterranean preachers or self-proclaimed "men of religion" are aiming at, and the reasons pushing these publics to give credit to their discourse, have been the object of extensive scientific analysis during the last years. However, it is interesting to point out that, even in the European context, where the propagation of hatred and racism is often punishable by law, intolerant or hateful discourse is much less easier to contain when it is pronounced under the coverage of religion and/or by religious ministers, and this because of the evident difficulties to clearly define the limits of the freedom of religion.

⁴⁸ It is interesting to note that inter-community violence in Europe is often addressed against places of worship or religious ministers.

⁴⁹ See for example S. Hanafi, *La Mise en Cause Conjoncturelle de l'Occident* and J-N Ferrié, *Usage et Petits Usages de l'Occident en Egypte*, in *Egypte Monde Arabe*, op. cit. The indifference of Western publishers to works on Islam written by Muslim Middle Eastern authors is an example of the persistence of ignorance on the other side (*The International Herald Tribune*, 18 October 2001, *Islam's Books Go Unread in the West*). See also the preface of Marcello Pacini (The Giovanni Agnelli Foundation) in the issue of *Egypte Monde Arabe*, op. cit., and J-N Ferrié, *Les Visions de l'Occident dans le Monde Arabe*, in the *Egypte Monde Arabe*, op. cit., on the mechanisms that generate stereotypes about the West in Southern Mediterranean societies.

⁵⁰ Often also anti-Semitic

⁵¹ See S. Radi, op. cit. In this very interesting comparison of the sermons of Muslim 'ulama and Christian Coptic priests in Egypt, Saadia Radi (CEDEJ, Cairo) observes that religious ministers from both confessions are accusing the West in their sermons for lack of respect for the religion, immorality, sexual promiscuity and a distorted use of liberty. It is worth noting that, according to S. Radi, sermons from priests and 'ulama are almost identical when it comes to denounce the defaults of the Western civilisation. In Europe, police and secrete service inquiries launched after the shock of the September 11, 2001 attacks and the discovering of links between fundamentalist groups and the terrorist network in many countries of the Union, have recently revealed that preachers have been inciting their congregations to intolerance and even violence in numerous mosques in the UK, the Netherlands and Italy. *The Economist*, August 10-16, 2002.

From a means for division to a factor of unity in diversity

As it was demonstrated by all the above, the sacralisation of political discourse, the politicisation of religious one, and the persistence of antiquated confession-based forms of social organisation in the Southern Mediterranean on the one hand, combined with the negligence to provide a modern legislative and institutional framework for the Islamic communities in the West on the other hand, have contributed to turn religion into a major factor of division, intolerance and conflict, both in Europe and in its Northern African and Middle Eastern neighbours. This manipulation of religious teachings and discourse goes hand in hand with the perpetuation of authoritarianism and the raise of fundamentalism in the Southern Mediterranean, as well as with the marginalisation of Muslim and in general immigrant communities and the raise of extreme-right-wing parties in the West. The use of religious discourse by the authors of the terrorist acts of September 11, 2001 in the United States has dramatically highlighted the catastrophic consequences the sacralisation of political issues can generate for World peace, democracy and in fact the Western way of life⁵².

Conscious of that, the European Union is studying ways to revive the parts of the Barcelona process of Euro-Mediterranean partnership⁵³ relating to democracy, human rights, culture or the civil society⁵⁴, whilst several European countries are reviewing their ways to deal with Islam as an organised religion within their borders⁵⁵. At the same time numerous religious leaders, intellectuals and decision-makers are launching various initiatives aiming to promote better understanding between confession or culture-based groups and to emphasise the call for peace and brotherhood present in all the three monotheistic sacred books⁵⁶.

⁵² The mistrust that the attacks have created in the West towards the Muslim community was rejected by a considerable number of intellectuals in Europe and the West who have denounced the demonisation of this community and have called for better understanding between confessional groups. See for example the article of Umberto Eco in *Le Monde* of 10 October 2001, the interview of Edward Said in *El Pais* of 2 December 2001, or the contribution of Jean-Noël Ferrière (CEDEJ) and Baudouin Dupret (CNRS) in *Le Soir* of 23 October 2001, entitled "Le déni de commune humanité" and that of Robert Malley (The Council of Foreign Relations, USA) in *The International Herald Tribune* of 12 October 2001, with the eloquent title "Look harder: Violence Isn't Islamic and Islam Isn't Violent".

⁵³ Barcelona declaration adopted at the Euro-Mediterranean Conference - 27-28/11/95, available from http://www.europa.eu.int/comm/external_relations/euromed/bd.htm. The site in question also contains wealth of information on the evolution of the Euro-Mediterranean partnership.

⁵⁴ The Declaration provides for the setting-up of a partnership in social, cultural and human affairs. To this end, the signing parties have reaffirmed that "dialogue and respect between cultures and religions are a necessary precondition for bringing the peoples closer", and they have expressed "their intent to promote cultural exchanges and knowledge of other languages, respecting the cultural identity of each partner, and to implement a lasting policy of educational and cultural programmes". The partners have also undertaken "to adopt measures to facilitate human exchanges, in particular by improving administrative procedures". These provisions have unfortunately been among the less implemented of the Declaration.

⁵⁵ The creation in 1998 of a single official body ("Exécutif des Musulmans de Belgique") in order to represent the Muslim community of Belgium to the federal authorities, recognise imams and teachers of religion, etc., and the establishment of an analogue body in France ("Conseil Français du Culte Musulman") in 2001, are examples of the recent effort of European governments to create conditions for the emergence of a "local" Islam, less dependent on foreign input.

⁵⁶ See for example: *Conseil Pontifical pour le Dialogue Interreligieux* (1998), *Le Dialogue Interreligieux dans l'Enseignement Officiel de l'Eglise Catholique* (1963-1967), Editions de Solesmes, Paris, for a full collection of all Holy See documents and Papal speeches on inter-religious dialogue. Less than a month after the terrorist attacks of September 2001 an Islamic-Christian Summit for Peace was organised in Rome, at the initiative of the lay Roman-Catholic community of Sant'Egidio (*Le Monde*, October 7-8, 2001). The latter is one of the most active organisations for the promotion of understanding between confessional communities. See also the works of Michel Lelong, a Catholic priest, highlighting the

Notwithstanding the fact that the result of these actions and those of the Barcelona Process regarding democracy and human rights, are rather limited and, in the case of inter-religious dialogue, relevant only to a small group of intellectuals, such initiatives constitute a step towards the good direction⁵⁷. However, the ambition (and necessity) to "*turn the Mediterranean basin into an area of dialogue, exchange and co-operation guaranteeing peace, stability and prosperity*"⁵⁸, requires in our view, not only "*sustainable and balanced economic and social development, (and) measures to combat poverty*"⁵⁹, but also a real effort to re-organise Southern Mediterranean societies on a non-confessional basis, hand-in hand with a strengthening of democracy and respect for human rights. We argue in fact that democracy and respect of human rights cannot flourish in societies based or segregated on the basis of confessional affiliation, where State authorities try to draw legitimacy from theology and not from the freely expressed public approval of their political programmes, where the only existing opposition uses religion-based discourse and exegesis instead of political argument, and where religion means belonging by birth to exclusive sectarian communities in constant unease with each other and not freely chosen adhesion to a faith and/or a set of moral values.

Breaking centuries-old forms of social organisation and defining new limits between the religious and the profane is certainly not an easy task. In the previous century, several of the countries of the region have experienced attempts of secularisation from above⁶⁰. However, the top-to-bottom scheme and the superficial character of such attempts, along with the authoritarian nature of their political initiators, have quickly compromised their chances to succeed. Furthermore, the maintenance (and often strengthening) of State control over religious affairs, and the partial (and often unfair for religious minorities) application of the reforms⁶¹, have contributed to discredit the concept of secularisation in the eyes of the public, who associated it with its initiators and their broken promises of progress, freedom and prosperity. This experience of the past shows that in order to take roots in society, secularisation should be a part of a general programme of democratisation, based on respect for human rights, effective exercise of fundamental freedoms and the rule of law.

In such a context, we believe that it would be productive to propose as examples (always bearing in mind that no society is identical to another and consequently there can be no one-fits-all paradigm) some of Europe's own models of secularisation, especially those taking into consideration the historical role a specific religion has played in the making of the nation⁶².

community of values between Christianity and Islam (for example: *M. Lelong (1991) De la Prière du Christ au Message du Coran, Tougui, Paris*), and the yearly review *Islamochristiana*, published in Rome by the Pontificio Istituto di Studi Arabi e d'Islamistica.

⁵⁷ The initiation of a Christian-Jewish dialogue and the sincere efforts of the Roman Catholic Church since the Second Vatican Council to eradicate anti-Judaism among its ranks have, for example, considerably improved relations and mutual conceptions of the "other" between these two communities. See *H. Tinq (1993) L'Etoile et la Croix, JCLattès, Paris, partim*.

⁵⁸ *Barcelona Declaration, op. cit.*

⁵⁹ *Barcelona Declaration, op. cit.*

⁶⁰ Kemal Atatürk's Turkey is the most often used example of such a secularisation attempt. Syria, Egypt, Tunisia and Algeria have also experienced, to a lesser extent, some form of a State imposed secularisation.

⁶¹ Even though it is undoubtedly the most secular of the Southern Mediterranean States, Turkey illustrates such an example of State control over religious affairs and unfair application of the secularisation reforms (in what regards its Christian communities). See *J.P. Valognes, op. cit., pp. 810-832*.

⁶² In a number of European countries such as the Netherlands, the Scandinavian States or Spain, the maintenance of some ceremonial references to the religion historically connected to the making of the

Proposing Europe's own experiences as a potential source of inspiration for secularisation and democratisation in the Southern Mediterranean could be combined with actions for raising awareness about the values and ways of life prevalent among the peoples of the Union, in an effort to combat ignorance-based stereotypes and promote understanding and productive coexistence. These actions could take forms such as:

- Educational seminars aiming to various target groups (young, students, pensioners, women, teachers and trainers, etc.);
- Conferences and workshops;
- Reading material;
- Mutual exchange programmes at various levels;
- Mass media covered debates and information programmes.

Initiatives and actions like the ones mentioned above should ideally involve regional partners such as institutes of education, municipalities, organisations of the civil society, public administration staff and interest groups. Citizens of Southern Mediterranean States residing in Europe should also be targets of projects like the ones mentioned above. In their case, and in the case of their compatriots who have already acquired European nationality, the credibility of the actions will highly depend on the improvement of their general socio-economic conditions of life and the containment of xenophobic or racist discourse and political groups. In parallel, awareness raising programmes on the historical experience, the multiple realities and the values of the Southern Mediterranean peoples could contribute to combat prejudices and xenophobia among European populations, thus limiting the effects of extreme right wing or populist political discourse.

At the same time, Europe should encourage initiatives analogous to the above in order to improve understanding and built trust between the three cultural families of its southern and south-eastern border. The role of the Union at that level should however be much more discreet. In order to become credible and acquire legitimacy in the eyes of the broader public, trust building initiatives between local communities need to come from local bodies without a too obvious "Western" encouragement.

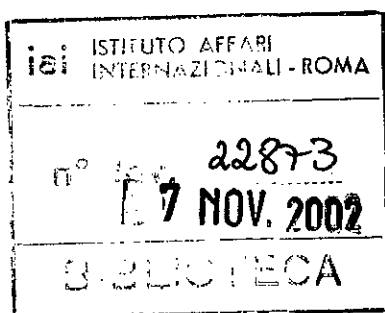
Having recognised that "*dialogue and respect between cultures and religions is a necessary precondition for bringing the peoples closer*"⁶³, the Union could also encourage inter-religious dialogue initiatives by making them, for example, eligible for Community co-financing. This dialogue could in fact assist the efforts to de-sectarianise Southern Mediterranean societies by contributing to raise awareness among religious authorities and confessional communities in the region on the state of freedom of religion in Europe and on the conditions under which confession-based communities and institutions operate in the European secular context. Bringing inter-religious dialogue to the faithful of the base by means of initiatives at the level of the local church mosque or synagogue could help to eradicate religion-based prejudices, and render less credible fundamentalist and radical views. In the context of the ongoing and ever-escalating Israeli-Palestinian conflict in particular, the spreading of religious dialogue initiatives and the active engagement of religious leaders to the cause of peace and justice could be an effective means to limit the use of theological discourse for the support of intransigent political positions and to prevent an inflammation of feelings in the wider Arab-Islamic world against the

nation (i.e. the constitutional obligation of the monarch to profess a specific religion, etc.) has probably made easier the acceptance of secularisation of the State by conservative public members without having any significant effects on the results of the general de-sacralisation process.

⁶³ *Barcelona Declaration, op. cit.*

West, often perceived as a monolithic Judeo-Christian whole⁶⁴. At the same time, such actions could stress the important role religion can play in the development of the Southern Mediterranean after the achievement of peace and the progressive de-sacralisation of conflictual discourse. For centuries in fact, the important income pilgrims from all three religious communities world-wide were representing for the region, had functioned as a permanent stimulant for tolerance, collaboration and peaceful, often productive co-existence of communities in a land widely recognised as being "Holy", and occupying a privileged place in the hearts of many in this quality.

Transforming religions again into a factor of collaboration for development through tourism, investments and education and into a major job-creating force, and giving the region a vocation of inter-faith dialogue laboratory for world peace is not so unrealistic an ambition. It is certainly a cause worth trying to achieve.



⁶⁴ It is interesting to note in that context that the efforts of John-Paul II to prevent the second Gulf War, his repetitive positions against the embargo on Iraq, and the sympathy he has demonstrated for the Palestinian cause have contributed to prevent the degeneration of the anti-Western and anti-American feeling widespread in the region into a general anti-Christian feeling. Such an evolution would have been particularly explosive and for the European multi-confessional, multicultural societies counting a considerable number of Muslim faithful, and for Oriental Christians, easily suspected to sympathise with their Western co-religionists. The high appreciation the pope enjoys in the Muslim world, can be demonstrated by the number of Islamic countries (almost all) who have established diplomatic relations with the Holy See during his reign.

ISLAM IN THE POST-COMMUNIST BALKANS : UNDERSTANDING A DECADE OF CHANGES¹

In the last decade, the Balkan Muslim populations have been involved in most of the crises which shook the region, from the massive exodus of Bulgarian Turks in 1989 to the ongoing Macedonian crisis, through the wars in Bosnia-Herzegovina (1992-1995), Albania (1997) and Kosovo (1998-1999). This, of course, does not mean that Islam itself is the explanatory factor of these crises: they are political in nature, even when religious symbols and religious actors play an important part, as has been true in Bosnia-Herzegovina.² But, inevitably, Balkan Islam has been influenced by the events which followed the collapse of communism in Southeastern Europe. Conversely, a solid understanding of the post-Communist Balkans requires to take into account some evolutions specific to the Balkan Muslim populations.

Unfortunately, many analyses of contemporary Balkan Islam are superficial and full of exaggerations. Some conjure up visions of a "Green Axis" penetrating the flank of a Christian Europe; others refer to "European Islam" as an island of tolerance, lost in an ocean of Orthodox fanaticism.³ These two representations of Balkan Islam, which at first glance seem to conflict with each other, are in reality closely related. The first presents Islam as alien to, and incompatible with European culture and values. The second shifts this incompatibility toward Orthodoxy, but still implicitly contrasts a "tolerant" European Islam with an "intolerant" non-European Islam, locating the origin of this tolerance not in the historical features of Ottoman Islam, but in some hypothetical common and ancestral European values.

¹ This paper is a modified version of an earlier paper presented in February 1999 at the *Graduate Student Workshop on Southeastern Europe* organized by the Minda de Gunzburg Center for European Studies, University of Harvard, Cambridge (Mass.), USA.

² About the role of religion in the Bosnian war, see Thomas BREMER (Hrsg.), *Religion und Nation im Krieg auf dem Balkan*, Bonn: Justitia et Pax (1996); Paul MOJZES (ed.), *Religion and the War in Bosnia*, Atlanta: Scholars Press (1998); Lenard COHEN, "Prelates and Politicians in Bosnia: the Role of Religion in Nationalist Mobilization", *Nationalities Papers*, vol. XXV, n° 3 (1997), pp. 481-499.

³ Of course, some valuable works about Balkan Islam have been also published during the last decade. See for example Tim NIBLOCK / Gerd NONNENMAN / Bogdan SZAJKOWSKI (eds.), *Muslim Communities in the New Europe*, Berkshire: Ithaca Press (1996); Hugh POULTON / Suha TAJI-FAROUKI (eds.), *Muslim Identity and the Balkan State*, London: Hurst (1997); and the special issues of *Islamic Studies* (vol. XXXVI, n° 2-3, Summer-Autumn 1997), *Nationalities Papers* (vol. XXVIII, n° 1, March 2000) and *Archives de sciences sociales des religions* (vol. XLVI, n° 15, juillet-septembre 2001).

Moreover, both represent the Balkan Muslim populations as a homogeneous and stable whole, and thus reproduce the bias of classical Orientalism.⁴

Perceptions of Balkan Islam are also influenced by events and concerns foreign to Southeastern Europe itself, as shown by the sudden shift which happened after the 11 September attacks in the United States. In the 1990s, the tragic fate of the Balkan Muslim populations was used by Western intellectuals, journalists and politicians as an evidence of both the need and possibility of multiculturalism in a globalized world. Since 11 September 2001, however, Western analysts most often mention Balkan Islam as a potential bridgehead of an alleged "global Islamic terrorism", and discover the presence of fundamentalist NGOs and mujahideen units in Bosnia-Herzegovina... several years after most of them have left the country. It appears therefore that, in many cases, perceptions of Balkan Islam depend more on Western political agendas and fantasies than on the reality in the field.⁵

Against this background, I consider necessary to deal with the Balkan Muslim populations not as eternal victims or potential terrorists but, above all, as social and political actors, and to emphasize the internal diversity of Balkan Islam on the one hand, its recent transformations on the other hand. Since 1989, the realities of Balkan Islam and Southeastern Europe as the whole have been indeed influenced by the emergence of the Balkan Muslim populations as autonomous political actors, the reshaping of the complex links existing between Islam and national identity in the Balkan countries, and the rapid development of new and diverse relationships between Balkan Islam and the rest of the Muslim world.⁶

⁴ About the issue of orientalism in relation to the Yugoslav wars, see Milica BAKIĆ-HAYDEN / Robert HAYDEN, "Orientalist Variations on the Theme 'Balkans': Symbolic Geography in Recent Yugoslav Cultural Politics", *Slavic Review*, vol. LI, n° 1 (Spring 1992), pp. 1-15; Milica BAKIĆ-HAYDEN, "Nesting Orientalisms. The Case of Former Yugoslavia", *Slavic Review*, vol. LIV, n° 4 (Winter 1995), pp. 917-931; Fikret KARİĆ, "Distorted Images of Islam: the Case of Former Yugoslavia", *Intellectual Discourse*, Kuala Lumpur, vol. III, n° 2 (1995), pp. 139-152; Xavier BOUGAREL, "L'islam et la guerre en Bosnie-Herzégovine: l'impossible débat?", *L'autre Europe*, n° 36-37 (1999), pp. 106-116.

⁵ The best illustration of this reality is the fact that, short after the 11 September 2001, the well-known American think tank *International Crisis Group* did publish a special report about "Bin Laden and the Balkans: The Politics of Anti-Terrorism" (*Balkans Report*, n° 119, 9 November 2001), whereas it has completely ignored – or even denied – the religious dimensions of the Balkan crisis during the 1990's. In this report, ICG writes that "Wahhabi practices have little support among predominantly Bektashi communities of the Balkans" (p. 2), whereas Balkan Muslims are in majority Sunni Muslims. This mistake illustrates the type of fantasies and nonsenses produced by an overinsistence on the differences between "European" and "non-European" Islam.

⁶ Most of the data and analyses presented in this paper are drawn from the collective book Xavier BOUGAREL / Nathalie CLAYER (dir.), *Le nouvel Islam balkanique. Les musulmans, acteurs du post-communisme (1990-2000)*, Paris : Maisonneuve & Larose (2001).

Muslim Populations as New Political Actors

Before World War II, the Balkan Muslim populations were represented by their traditional notables, especially landlords and wealthy tradesmen, who were linked to the ruling political parties through clientelistic bonds. Only the Bosnian Muslim notables succeeded in building their own party, but they also maintained allegiance to the central authorities, while shifting alliances back and forth between Serbian and Croatian political forces.⁷ Traditional religious identity inherited from the Ottoman period remained in many cases more important than modern national one, as shown by the central part played by religious institutions like *mektebs* and *madrasas* (elementary and secondary religious schools), *waqfs* (religious estates) and shariatic courts in the social life of Balkan Muslim populations.⁸

After World war II, Communist regimes dismantled these religious institutions of the Balkan Muslim populations, and hastened the disappearance of their traditional elites. From the 1960's onwards, on the contrary, the formation of new educated Muslim elites was encouraged by Communist modernization, and national identities which until then had remained unclear and fluid got both an legal framework and a real embeddedness, especially in the case of Bosnian Muslims and Albanians living in Titoist Yugoslavia.⁹ But it was only with the collapse of the Communist regimes that these deep social and cultural changes got their political expression.

⁷ About the political history of the Bosnian Muslims, see for example Mark PINSON (ed.), *The Muslims of Bosnia-Herzegovina. Their Historic development from the Middle Ages to the Dissolution of Yugoslavia*, Cambridge (Mass.) : Harvard university Press (1994) ; Francine FRIEDMAN, *The Bosnian Muslims. Denial of a Nation*, Boulder : Westview Press (1996) ; Amir FILANDRA, *Bo *nja *ka politika u XX. stolje *u*, Sarajevo : Sejtarija (1998). About the interwar period, see Atif PURIVATRA, *Jugoslovenska Muslimanska Organizacija u političkom životu Kraljevine Srba, Hrvata i Slovenaca*, Sarajevo : Svjetlost (1974).

⁸ About the evolution of the Islamic religious institutions in the post-Ottoman Balkans, see Alexandre POPOVIC, *L'islam balkanique. Les musulmans du sud-est européen dans la période post-ottomane*, Berlin-Wiesbaden : Otto Harrassowitz (1986).

⁹ About the political evolution of the Muslim populations in Titoist Yugoslavia, see REUTER-HENDRICH (Irena), *Der Islam in Jugoslawien*, Ebenhausen : Stiftung Wissenschaft und Politik (1988) ; Georg BRUNNER / Andreas KAPPELER / Gerhard SIMON (eds.), *Muslim Communities Re-emerge : Historical Perspectives on Nationality, Politics and Opposition in the Former Soviet Union and Yugoslavia*, Durham : Duke University Press (1994) ; Ludwig STEINDORFF, "Von der Konfession zur Nation : die Muslime in Bosnien-Herzegovina", *Südosteuropa-Mitteilungen*, vol. XXXVII, n° 4 (1997), pp. 277-290. About the political evolution of the Muslim populations in Communist Bulgaria, see Ali EMINOV, *Turkish and Other Muslim Minorities in Bulgaria*, Londres : Hurst (1997) ; Wolfgang HÖPKEN, "Modernisierung und Nationalismus : sozialgeschichtliche Aspekte der bulgarischen Minderheitspolitik gegenüber den Türken", in Roland SCHÖNFELD (Hrsg.), *Nationalitätenprobleme in Südosteuropa*, München : Oldenbourg (1987), pp. 255-280 ; Stefan STROEBST, "Zum Verhältnis von Partei, Staat und türkischer Minderheit in Bulgarien 1956-1986", in *idem.*, pp. 231-251 ; W. HÖPKEN, "From Religious Identity to Ethnic Mobilization : The Turks of Bulgaria before, under and since Communism", in H. POULTON / S. TAJI-FAROUKI (ed.), *op. cit.*, pp. 64-71.

Most of the new laws on political pluralism adopted by the Balkan states in 1989-1990 banned parties founded on the basis of ethnicity or religion. But this clause did not prevent the creation of parties representing Muslim populations. At first, these parties circumvented the law by choosing names without any ethnic connotation : Movement for Rights and Freedom (*Dviġenie na prava i svobodi* – DPS) for the Turks of Bulgaria, Party of Democratic Action (*Stranka Demokratske Akcije* – SDA) for the Bosnian Muslims, Democratic League of Kosovo (*Lidhja Demokratike e Kosovës* – LDK) for the Albanians of Kosovo, and Party of Democratic Prosperity (*Partia për Prosperitet Demokratik* – PPD) for the Albanians of Macedonia. The ban of ethnic parties became quickly irrelevant, and new parties appeared later with overt ethnic names, such as the Turkish Democratic Party (*Türk Demokratik Partisi* – TDB) and the Party for the Complete Emancipation of the Romas (*Partija za Celosna Emancipacija na Romite* – PCER) in Macedonia, the Turkish Democratic Union (*Türk Demokratik Birliġi* – TDB) in Kosovo or the Democratic Union of the Muslim Turks (*Romanya Demokratik Türk Müslüman Birliġi* – RDTMB) in Romania.

These new political parties were for the most part led by members of the new elites produced by Communist modernization and, more precisely, by former activists of the Communist party and its mass organizations, as in the case of Ibrahim Rugova, president of the LDK and former president of the Union of Writers of Kosovo, or Ahmed Doġan, president of the DPS and former member of the Institute of Philosophy in Sofia. Only the SDA was founded by members of an informal pan-Islamist current whose main representative was Alija Izetbegović himself. But the SDA also had to incorporate intellectuals and notables coming from the Bosnian League of Communists in order to become a mass party.¹⁰ At the first free elections, these parties won a huge majority of the votes of their respective ethnic groups. A large part of the urban middle classes and some village dwellers, however, did prefer to vote for the former Communists, owing to some specific identity choices (Yugoslavism of the Bosnian urban elites, Bulgarian identity choice of some Pomak villages¹¹) or to general fears of economic reforms and land restitution to former owners.

¹⁰ About the role of the Bosnian pan-Islamist current in the creation of the SDA, see Xavier BOUGAREL, "From 'Young Muslims' to the Party of Democratic Action : the Emergence of a Pan-Islamist Trend in Bosnia-Herzegovina", *Islamic Studies*, Islamabad, vol. XXXVI, n° 2-3 (Summer/Autumn 1997), pp. 533-549. About the thinking of Alija Izetbegović, see Carsten WIELAND, "Izetbegović und Jinnah : die selektive Vereinnahmung zweier ‚Muslim-Führer‘", *Südosteuropa-Mitteilungen*, vol. XXXIX, n° 4 (1999), pp. 351-368.

¹¹ About the Pomaks in Bulgaria, see Yulian KONSTANTINOV, "Strategies for Sustaining a Vulnerable Identity : The Case of the Bulgarian Pomaks", in H. POULTON / S. TAJI-FAROUKI (eds.), *op. cit.*, pp. 33-53 ; Mario APOSTOLOV, "The Pomaks : a Religious Minority in the Balkans", *Nationalities Papers*, vol. XXIV, n° 4 (1996), pp. 727-745.

Therefore, already at the beginning of the 1990's, the electoral success of the political parties representing Muslim populations is not tantamount to a monolithic vote. In those areas where different Muslim populations coexist, these parties did not succeed in crossing the boundaries of their own ethnic group. In Macedonia, for example, the local branch of the SDA tried to challenge the Albanian, Turkish and Gypsy ethnic parties with a call to the political unity of the *Umma* (Community of the faithful). Not only did this call go unanswered, but the SDA itself split in 1991 into a pan-Islamist party (SDA – “Islamic Path”) and a Bosnian Muslim ethnic one.

During the 1990's, political and strategic conflicts added to these ethnic cleavages, and the main political parties representing Balkan Muslim populations experienced internal splits. In Macedonia, the Party for the Democratic Prosperity of the Albanians (*Partia për Prosperitet Demokratik e Shqiptarëve* – PPDSH) was created in 1994, and became the Democratic Party of the Albanians (*Partia Demokratike e Shqiptarëve* – PDSH) in 1996.¹² In Bosnia-Herzegovina, the Party for Bosnia-Herzegovina (*Stranka za Bosnu i Hercegovinu* – SBiH) was created in 1995 by the former Prime Minister Haris Silajdžić.¹³ In Kosovo, the Albanian Democratic Movement (*Lëvizja Demokratike Shqiptare* – LDSH) was created in 1998 by Ibrahim Rugova's political rivals inside the LDK. Two years later, the Democratic Party of Kosovo (*Partia Demokratike Popullore* – PDK) and the Alliance for the Future of Kosovo (*Aleanca për Ardhmërinë e Kosovës* – AAK) were created by former leaders of the illegal Kosovo Liberation Army (*Ushtria Çlirimtare e Kosovës* – UÇK).¹⁴

All these rival political parties have intricate and unstable relationships. In Macedonia, the PPD and the PDSH formed a coalition for the general elections of September 1988, but the PDSH alone entered the new government led by Ljubco Georgievski. In May 2001, the

¹² In Macedonia, the Turkish, Gypsy and Bosnian Muslim ethnic parties have also experienced internal splits.

¹³ In both the Serbian and the Montenegrin parts of the Sandjak, the local branches of the SDA experienced several internal splits between 1994 and 1998.

¹⁴ Before June 1999, there were already two Turkish parties in Kosovo, the first one linked to the Albanian “Kosovo Republic” (the Popular Turkish Party : *Türk Halk Partisi* – THP), and the other one to the Serbian authorities (the Turkish Democratic Union : *Türk Demokratik Birliği* – TDB). The local branch of the SDA supported the Albanian “Kosovo Republic”, but not the Democratic Reform Party of the Muslims (*Demokratska Reformska Stranka Muslimana* – DRSM) representing the Torbeshs (Macedonian-speaking Muslims) of the Prizren area. After June 1999, the local branch of the SDA has experienced an internal split, and new political parties have been created by the Albanian-speaking Gypsies (the Democratic Party of the Ashkalis-Albanians of Kosovo : *Partia Demokratike Ashkali Shqiptare e Kosovës* – PDASHK) and by the Goranis (Slavic-speaking Muslims) of the Gora area (the Civic Initiative of Gora : *Gradjanska Inicijativa Gore* – GIG).

breakout of the Macedonian crisis and the ensuing international pressures led to the formation of a wide governmental coalition including the two main Albanian political parties but, at the same time, some Albanian deputies close to the National Liberation Army (*Ushtria Çlirimtare Kombëtar* – UÇK) founded a third political party, the National Democratic Party (*Partia Demokratike Kombëtare* – PDK). In Bosnia-Herzegovina, the SBiH formed in 1997 a “Coalition for Bosnia-Herzegovina” with the SDA, before joining in 2000 the “Alliance for Changes” led by the Social-Democratic Party (*Socijal-Demokratska Partija* – SDP). In Kosovo, several months after the general election of November 2001, the three main Albanian Parties are still unable to form a government and elect the president of the province.

Therefore, at the beginning of the 2000's, the political landscape of the Balkan Muslim populations is much more diverse than ten years before: in Kosovo and Macedonia as well, there is no more hegemonic Albanian political party, and in November 2000, only a minority of the Bosnian Muslim population voted for the SDA. The only exception to this rule is Bulgaria, where the DPS led by Ahmed Dohān remains without serious rival.¹⁵ The DPS experienced two splits in 1993 and 1994, but the splitting parties –the Turkish Democratic Party (*Turska Demokrati Ğeska Partiā* – TDP) and the Party for Democratic Changes (*Partiā za Demokrati Ğeski Promeni* – PDP)– disappeared short after their creation. During the general election of April 1997, Giuner Tahir, Dohān's main rival inside the DPS, decided to run on the list of the United Democratic Forces, a coalition led by the Union of Democratic Forces (*S'ŭz na Demokrati Ğeskite Sili* – SDS), without leaving the DPS. The Turks of the Rhodopes remained loyal to the DPS, but many Turks of the Deli Orman –where Giuner Tahir comes from– decided to vote for the United Democratic Forces. But the following general election in June 2001 was characterized by a reconciliation between Ahmed Dohān and Giuner Tahir, and the DPS did again gather a large majority of the Muslim votes.

In order to fully understand the nature of political mobilization among the Balkan Muslim populations, the distinctive cases of Albania and Greece must also be considered. Albania is the only Balkan country where Muslims form a clear majority of the population, and the only former Communist country where the banning of ethnic and religious parties has remained in force:¹⁶ in 1993, the Albanian authorities refused to register the Party of Islamic Democratic

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¹⁶ The Albanian authorities, however, tolerated the creation of the Union for the Human Rights (*Bashkimi për të Drejtat e Njeriut* – BDN) which represents the Greek Orthodox minority.

Union (*Partia e Bashkimit Demokratik Islam – PBDI*), and there is no Muslim party in Albania, at least officially.¹⁷ But the central cleavage of Albanian political life, that is the conflict between Democratic Party and Socialist Party, is also related to the debate on the relationship between Islam and national identity, as will be shown further. Greece was not a Communist country. But in this country too, the election of the independent candidate Ahmed Sadik in the general election of April 1990 and the creation of the political party “Friendship, Equality, Peace” (*“Dostluk, Eşitlik, Barış”* – DEB) in 1991 showed that the Muslim (mainly Turkish) population of Western Thrace was about to emerge as an autonomous political actor. The new electoral law passed a few months later, however, compelled this population to come back to its former allegiances to Greek parties.¹⁸

In the 1990's, the Balkan Muslims have not only created their own political parties, but also various reviews and newspapers, cultural associations, charitable societies or intellectual forums, such as the influential Congress of the Bosnian Muslim Intellectuals in Bosnia-Herzegovina and the Association of the Muslim Intellectuals in Albania. These organisations were often used as bridges between political and religious elites. Finally, the Balkan Muslim diasporas have also created their own associations in Western Europe, North America and Turkey, and were able of playing a very important role at the political and financial level, as shown by the central role of the Albanian diaspora from Kosovo in the financing of the “Kosovo Republic” and the Kosovo Liberation Army. But even this diasporic situation did not encourage the crossing of ethnic boundaries. In Germany, the Bosnian Muslims and the Albanians jealously preserved their autonomy from the tutelage of their Turkish “brothers”. And in Istanbul, even the Turks from Bulgaria and the Turks from Western Thrace have created two distinct associations.

The emergence of the Balkan Muslim populations as autonomous political actors has been thus a general phenomena. But their position in the political life of each Balkan country has varied to a considerable extent. First, some parties have put forward state-building projects

¹⁷ The Party of National Recovery (*Partia e Rimëkëmbjes Kombëtare – PRK*) led by Avdi Baleta can be seen as a Muslim party, since it strongly emphasizes the links between Islam and Albanian national identity. About the situation of the Islam in post-Communist Albania, see Nathalie CLAYER, “Islam, State and Society in Post-Communist Albania”, in H. POULTON / S. TAJI-FAROUKI (eds.), *op. cit.*, pp. 115-138 ; György LEDERER, “Islam in Albania”, *Central Asian Survey*, vol. XIII, n° 3 (Summer 1994), pp. 331-359 ; Frances TRIX, “The Resurfacing of Islam in Albania”, *East European Quarterly*, vol. XXVIII, n° 4 (January 1995), pp. 533-549 ;

¹⁸ This electoral law specifies that a candidate can be elected to Parliament only if the party (s)he belongs to wins more than 3 % of the vote at the national level. About Ahmed Sadik, see Hermann KADLER, “Ahmed Sadik (1947-1995) : politischer ‘Spaltpilz’ Griechisch-Thrakiens”, *Orient*, vol. XXXIX, n° 2 (Juni 1998), pp. 285-307.

(Bosnia-Herzegovina, Kosovo), while others have confined themselves to cultural and educational claims (Bulgaria, Greece, Romania).¹⁹ In Bulgaria, for example, the DPS did for long focus on issues like return of the Turkish family names or teaching in the Turkish language, and showed repeatedly its allegiance to the Bulgarian state.²⁰ After the Bulgarian ratification of the European Convention on Minority Rights in February 1999, however, this party started to mention the need to change the Bulgarian Constitution and recognize officially the existence of a Turkish national minority in this country. On a similar way, some parties have taken part in governmental coalitions, like the DPS in Bulgaria; while others refused to recognize the existing institutions and created their own parallel ones. In Kosovo, the "Kosovo Republic" has been proclaimed in July 1990, and a clandestine referendum on independence has been held in September 1991. In March 1998, the first clashes between Serbian forces and the Kosovo Liberation Army signaled the giving up of the non-violent strategy promoted since 1989 by Ibrahim Rugova and the LDK, and led on year later to the NATO intervention against the Federal Republic of Yugoslavia, and to the *de facto* separation of Kosovo from the Republic of Serbia.²¹

From both perspectives, Macedonia constitutes an intermediate case. There, the Albanian parties have frequently called for the recognition of the Albanians as one of the two constitutive nations of this state, and even held in January 1992 an illegal referendum on the territorial autonomy of Western Macedonia. But they have taken part in various governmental coalitions and, during the 1990's, have concentrated their practical claims on the implementation of complete bilinguism in administration and the school system. The emergence of the National Liberation Army and the breakout of violence in 2001 have brought the issues of territorial autonomy and constitutional changes back to the top of Albanian political claims, but neither the Albanian political parties nor the National

¹⁹ About the situation of the Muslim populations in post-Communist Romania, see György LEDERER, "Islam in România", *Central Asian Survey*, vol. XV, n° 3-4 (Summer-Autumn 1996), pp. 349-368.

²⁰ About the situation of the Muslim populations in post-Communist Bulgaria, see Sabine RIEDEL, "Die türkische Minderheit im parlamentarischen System Bulgariens", *Südosteuropa*, vol. XLII, n° 2 (February 1993), pp. 100-124 ; Petya NITZOVA, "Bulgaria : Minorities, Democratization and National Sentiments", *Nationalities Papers*, vol. XXV, n° 4 (December 1997), pp. 729-739 ; Ali EMINOV, "The Turks in Bulgaria : Post-1989 Developments", *Nationalities Papers*, vol. XXVII, n° 1 (March 1999), pp. 32-55 ; Nadège RAGARU, "Quel Islam en Bulgarie post-communiste ?", *Archives de sciences sociales des religions*, vol. XLVI, n° 115 (juillet-septembre 2001), pp. 125-158.

²¹ About the situation of the Muslim populations in post-Communist Kosovo, see Ger DUIJZINGS, *Religion and the Politics of Identity in Kosovo*, London : Hurst (2000) ; Aydin BABUNA, "The Albanians of Kosovo and Macedonia : Ethnic Identity Superseding Religion", *Nationalities Papers*, vol. XXVIII, n° 1 (March 2000), pp. 67-92 ; Nathalie CLAYER, "Islam et identité nationale dans l'espace albanais (Albanie, Macédoine, Kosovo)", *Archives de sciences sociales des religions*, vol. XLVI, n° 115 (juillet-septembre 2001), pp. 161-181.

Liberation Army have openly contested the legitimacy of the Macedonian state itself. As for the Turkish, Gypsy and Bosnian Muslim political parties, they have always been loyal to this state, and hostile to the territorial autonomy of Western Macedonia.²²

An other intermediary case is the Sandjak region. The local branch of the SDA has created a National Muslim Council of the Sandjak in May 1991, and organized an illegal referendum on the territorial autonomy of this region in October 1991. But this claim for territorial autonomy has never been followed by concrete actions; on the contrary, it has deeply divided the local Bosnian Muslim population and the SDA itself. Moreover, after the break between Slobodan Milošević and the Montenegrin president Milo Djukanović in 1997, the Montenegrin part of the SDA has given up the idea of territorial autonomy, has entered the new governmental coalition in February 1998, and is now supporting Montenegro's march to independence.

Several factors can explain these differences in the attitudes of political parties representing the Balkan Muslim populations. The most important is of course the demographic balance in each state or federal unit : political parties have been more tempted to put forward political claims where the Muslims make up an absolute (Kosovo) or relative (Bosnia-Herzegovina) majority of the population, than where they represent only a small minority (Greece, Romania). But this demographic factor can not explain why there were some claims for territorial autonomy in Macedonia and in Sandjak, and not in Bulgaria.

Political factors must also be taken into account. On the one hand, the Muslim populations of Yugoslavia had experienced a federal system in which the principles of multilingualism and territorial autonomy were self-evident, while those of Bulgaria, Greece and Romania were accustomed to national states with a single constitutive nation and official language. Moreover, the Socialist Federative Republic of Yugoslavia at the beginning of the 1990s, and thereafter the Federal Republic of Yugoslavia and Macedonia have experienced deep political crises, while Bulgaria, Greece and Romania have remained more or less stable states.

²² About the situation of the Muslim populations in post-Communist Macedonia, see James PETTIFER (ed.), *The New Macedonian Question*, Basingstoke : Mac Millan (1999) ; Jane COWAN (ed.), *Macedonia : the Politics of Identity and Difference*, London : Pluto Press (2000) ; Michael SCHMIDT-NEKE, "Makedoniens Albaner : Konfliktpotential oder Stabilitätsfaktor ?", *Südosteuropa*, vol. XLVIII, n° 3-4 (März-April 1999), pp. 191-212 ; Stefan TROEBST, "Kommunizierende Röhren : Makedonien, die albanische Frage und der Kosovo-Konflikt", *Südosteuropa-Mitteilungen*, vol. XXXIX, n° 3 (1999), pp. 215-229.

Finally, the importance of practical political attitudes and decisions should not be underestimated. The repressive and discriminatory policies of Serbia, for example, could only lead to a radicalization of the Albanian population in Kosovo, as was the case in 1998 with the legitimacy crisis of the LDK and the uprising organized by the Kosovo Liberation Army. Conversely, the restoration of the basic rights of the Turkish minority in Bulgaria in 1990 and the integration of the DPS into Bulgarian political life during the 1990's –illustrated in July 2001 by the appointment of the first Turkish ministers since Bulgarian independence, have contributed to the calming down of interethnic tensions. The divergent evolutions of the Montenegrin and the Serbian part of the SDA in the Sandjak region since 1997 illustrate also the influence exerted by concrete political circumstances. The radicalization of the Albanians of Macedonia and the legitimacy crisis of their political leadership, however, show that political integration of the Balkan Muslim populations requires not only short-term political arrangements, but also long-term socio-economic advancement and cultural recognition.

The New Relationship between Islam and National Identity

During the 1990's, the emergence of the Balkan Muslim populations as autonomous political actors went hand in hand with the reshaping of their ethnic identity. The best illustration of this phenomenon is, in September 1993, the decision taken by the *Bo *nja Øki Sabor* (Bosniac Assembly) ²³ in Sarajevo to replace the national name "Muslim" with the new one "Bosniac" and, in this way, to stress the transformation of the Bosnian Muslim community into a political and sovereign nation, closely linked to the territory of Bosnia-Herzegovina.²⁴ A similar transformation is also perceptible in Western Thrace, where Turkish nationalists insist on the use of the national name "Turks", while Greek authorities only recognize the religious name "Muslims" mentioned in the 1923 Lausanne agreement.

A similar process of identity-building is present by Slavic-speaking Pomaks (in Bulgaria and Greece) or Torbeshs (Macedonia), as well as by the Gypsies across the Balkans. All these populations had been until recently devoid of any precise national identity. But only recognition as legitimate ethno-national groups can enable them to accede to some political

²³ During the war in Bosnia-Herzegovina, the *Bo *nja Øki Sabor* gathered the main political, religious and cultural representatives of the Bosnian Muslim nation.

²⁴ This change of name was followed by significant efforts to strengthen the Bosnian Muslim / Bosniac national identity, such as the formalization of a Bosnian language different from both Serbian and Croatian languages.

visibility, and in turn to mobilize internal or external political resources. Within this context, the members of these small ethnic groups have adopted three different identity strategies.

The first one aims at a merging into a larger Muslim ethnic group which already enjoys an institutional recognition of its identity. This is the strategy adopted by many Torbeshs in Macedonia and Pomaks or Gypsies in Bulgaria, who declared themselves as "Turks".²⁵ The second strategy involves affiliation with the dominant Orthodox nation. This tactic has resulted in Muslims claiming to be "Greeks", "Macedonians" or "Bulgarians" of Islamic faith and, in Bulgaria, keeping the Christian names imposed by the state in the 1980's, during the assimilation campaign.²⁶ Of course, this type of identity choice has been encouraged by the state, and concerns in the first place those who are or intend to be civil servants. Finally, a third strategy tries to define a distinctive Roma (Gypsy), Pomak or Torbesh identity, insisting on its official recognition. This strategy involved a specific "invention of the tradition", as can be seen in the reference made by some Pomaks and Torbeshs to their hypothetical pre-Ottoman Turkish or Arab origins.

Thus, during the 1990's, the reshaping of the ethnic and national identities of some Balkan Muslim populations has been quite obvious. A possible parallel process of re-Islamization of these identities is more difficult to perceive. In fact, the situations vary considerably from one group to the other. There has been no re-Islamization of the Gypsy identity, as the segmentary logics of this ethnic group prevent any common reference to Islam. In contrast, the Bosnian Muslims / Bosniacs did inevitably tend to stress their belonging to Islam as the main factor distinguishing them from the (Orthodox) Serbs and (Catholic) Croats, and the leaders of the SDA have openly supported the re-Islamization of the Bosnian Muslim / Bosniac national identity.²⁷ Moreover, this process of re-Islamization was accelerated by the war, as shown by the development of a cult of the *shahids* (martyrs of the faith) and by the creation of so called

²⁵ A specific variant of this strategy is the attempt of some Gypsies in Macedonia and Kosovo to be recognized as an "Egyptian" national minority. See Ger DUIJZINGS, "Egyptians in Kosovo and Macedonia", in Eggert HARDTEN / André STANISTAVLJEVIC / Dimitris TSAKIRIS (ed.), *Der Balkan in Europa*, Frankfurt : Peter Lang (1996), pp. 103-121.

²⁶ Sometimes, this strategy is combined with conversion to Protestantism (especially by Pomaks).

²⁷ About the reislamisation process in Bosnia-Herzegovina, see Zachary IRWIN, "The Islamic Revival and the Muslims of Bosnia-Herzegovina", *East European Quarterly*, vol. XVII, n° 4 (janvier 1984), pp. 437-458 ; Cornelia SORABJI, "Mixed Motives: Islam, Nationalism and Mevluds in an Unstable Yugoslavia", in Camillia FAWZI EL-SOLH / Judy MABRO (eds.), *Muslim Women's Choices*, Oxford : Berg (1994), pp. 108-127 ; Xavier BOUGAREL, "Le ramadan, révélateur des évolutions de l'islam en Bosnie-Herzégovine", in Fariba ADELKHAH / François GEORGEON (dir.), *Ramadan et politique*, Paris : CNRS éditions (2000), pp. 83-96 ; Xavier BOUGAREL, "Trois définitions de l'islam en Bosnie-Herzégovine", *Archives de sciences sociales des religions*, vol. XLVI, n° 115 (juillet-septembre 2001), pp. 183-200.

"Muslim brigades" whose fighters respected the Islamic religious precepts and regarded their fight as a *jihad* (holy war).²⁸

A similar resort to Islam as a central marker of ethnic identity is present by some Pomaks, who try in this way to compensate for their lack of a legitimate national identity, as well as for members of the traditional "Turco-Albanian" elites in some towns of Macedonia and Kosovo, who reassert in this way their difference from and superiority toward the neo-urban elites in control of the Albanian nationalist parties.²⁹ In the Albanian and the Turkish populations, however, Islam remains secondary in relation to national and linguistic identity, although religious references are sometimes used in order to facilitate the assimilation of the small Slavic-speaking Muslim populations (Torbeshs in Macedonia, Pomaks in Bulgaria and Greece), or to accentuate some internal cultural and political cleavages.

The Balkan Turks, for example, did not remain insensitive to the debates on Islam and secularism which took place in Turkey in the 1990's.³⁰ In Macedonia, the Turkish Democratic Party (TDP) even split into a "religious" majority and a "secular" minority. Similarly, since 1990, controversy over the relationship between Islam and national identity has divided the Albanian intelligentsia. Some Christian or ex-Communist intellectuals like Ismaïl Kadare and Ibrahim Rugova have claimed that conversion to Islam had been harmful to the Albanian nation, because it involved a severance of the links with Western Europe and a lasting identification with the Ottoman Empire. Islamic religious leaders and some Muslim intellectuals, however, have replied that only Islam had protected the Albanians from complete cultural assimilation by the Greeks and Serbs.³¹

²⁸ About the role of war in the reislamisation process in Bosnia-Herzegovina, see X. BOUGAREL, "Ramadan during a Civil War (as Reflected in a Series of Speeches)", *Islam and Christian-Muslim Relations*, vol. VI, n° 1 (1995), pp. 79-103 ; Xavier BOUGAREL, "L'islam et la guerre en Bosnie-Herzégovine : l'impossible débat ?", *L'autre Europe*, n° 36-37 (1999), pp. 106-116.

²⁹ About the "Turco-Albanian" urban populations in Macedonia, see Eran FRAENKEL, "Urban Muslim Identity in Macedonia : The Interplay of Ottomanism and Multilingual Nationalism", in Eran FRAENKEL / Christina KRAMER (eds.), *Language Contact-Language Conflict*, New York : Peter Lang, (1993), pp. 27-41.

³⁰ About the similarities of the political evolutions in Turkey and among the Balkan Muslims in the 1990's, see Sabine RIEDEL, "Die Politisierung islamischer Geschichte und Kultur am Beispiel Südosteuropas", *Südosteuropa*, vol. XLVI, n° 11 (November 1997), pp. 539-561.

³¹ About this debate, see Nathalie CLAYER, "Identité nationale et identité religieuse chez les musulmans albanais", in Michel BOZDEMIR (dir.), *Islam et laïcité. Approches globales et régionales*, Paris : L'Harmattan (1996), pp. 137-149 ; N. CLAYER, "Islam et identité nationale dans l'espace albanais (Albanie, Macédoine, Kosovo)", *Archives de sciences sociales des religions*, vol. XLVI, n° 115 (juillet-septembre 2001), pp. 161-181.

This debate is not only an academic one. In Albania, the Democratic Party, which is dominated by Sunni Muslims from the north-east of the country and remains closer to the Islamic religious leaders, has taken up again some of their arguments, while the Socialist Party, successor of the former Communist party and well established in the Orthodox and Bektashi South, repeats the anti-Ottoman and anti-Islamic arguments of classical Albanian nationalism. The leaders of the Democratic League of Kosovo, influenced by clerics and intellectuals of the small local Catholic minority, have put forth similar arguments. But in Kosovo and Macedonia, the confrontation between an almost completely Muslim Albanian population and a central state linked to Orthodoxy have favoured an identification between Islam and Albanian national identity.

While the re-Islamization of the ethnic and national identity of Balkan Muslim populations remains a partial and limited process, the converse one –that is the “nationalization” of Islam– has known no exception. From this point of view, in the recent period, the national identity of the Balkan Muslim populations has turned out to be stronger than the religious one. The best illustration of this “nationalization” of Islam is the split of the former Yugoslav Islamic religious institutions along national lines, which was paradoxically caused by... the Bosnian pan-Islamists ! Indeed, in April 1993, the SDA decided, against the will of the majority of the religious leaders, to create new Islamic religious institutions limited to Bosnia-Herzegovina, Sandjak and the Bosnian Muslim diaspora. In the following months, new religious institutions were also formed in Macedonia, Kosovo and Montenegro. In Macedonia, the Slavic-speaking (Torbesh) religious leaders were replaced by new Albanian leaders close to the PPD. This “Albanization” of Islamic religious institutions led to some (unsuccessful) attempts to create religious institutions peculiar to the Slavic- or Turkish-speaking populations.

Such crises did not happen in Albania, Bulgaria or Romania, where the Muslim populations are much more ethnically and linguistically homogeneous. But the “nationalization” of Islam is perceptible through the ethnic rather than religious meanings linked with the celebration of the main religious feasts, the organization of some Sufi pilgrimages, or the opening ceremonies for the consecration of new mosques. Politicians have very well understood the importance of such events, and make systematically efforts to attend them. The end of the Communist regimes has therefore led to a change not only in the relationship between Islam and national identity, but also in the links between religious and political actors.

During the 1990's, Islamic religious institutions in the Balkans have experienced a clear resurgence in activity. This trend is perceptible in all former Communist countries, but is especially obvious in Albania, where religious institutions reappeared after twenty-two years of complete ban. Such processes of renewal are characterized by the building or restoration of numerous mosques, by the development of religious press and publishing activities, and by the opening of Islamic schools. At the end of the 1980's, there were only three *madrasas* left in the Balkans, in Sarajevo, Priština and Skopje, and a single Islamic Theology Faculty in Sarajevo. Ten years later, there are ten *madrasas* in Albania, six in Bosnia-Herzegovina, three in Bulgaria, one each in Kosovo, Macedonia, Romania and the Sandjak region. At the same time, five institutes for higher Islamic learning had been opened in the region (two in Bosnia-Herzegovina, one in Kosovo, one in Macedonia and one in Bulgaria).

This unquestionable renewal of activity, however, is not tantamount to a "restoration" of Islamic religious institutions. On one hand, after half a century of Communism, the restoration of religious freedom has also revealed all the weaknesses and deficiencies of these institutions : many mosques are still in a state of neglect, many imams and religion teachers are weak in religious knowledge and, in Bosnia-Herzegovina, Macedonia and Bulgaria, Islamic religious institutions have experienced serious internal crises.³² On the other hand, in none of these countries did these institutions obtain restitution of the rights and properties they had before World War II : the only country where shariat law is still in force for family issues is Greece, the restitution of the *waqfs* (religious estates) has been slow and partial, and religion has been introduced only in the Bosnian schools, and this as an optional subject. It appears therefore that neither the authoritarian secularization nor the larger social and cultural changes of the Communist period can be undone.

There are other signs of a deep secularization among the Balkan Muslim populations, and of a persistent weakness of Islamic religious institutions. Most importantly, there is no re-Islamization of the everyday way of life : the few campaigns of re-Islamization led by the SDA and the Islamic religious institutions in Bosnia-Herzegovina have sparked furious controversies, and have actually led, paradoxically, to a certain disrepute of Islam, as religion has been suspected of becoming a tool in the hands of political opportunists and former

³² Since 1990, the two legal muftis appointed by the Greek authorities in Western Thrace are also challenged by two "illegal muftis" elected by the local Muslim population and close to the Turkish nationalists.

Communists.³³ Moreover, the monopoly of Islamic religious institutions on the interpretation of Islam is now questioned by various religious groups and movements, by intellectuals and ordinary believers. Whereas religion remains an irreplaceable marker of collective identity, faith has become more and more an individual issue.

The changes in the relationship between religious and political actors have to be considered within this context. First of all, the end of the Communist regimes has been followed by a loosening of state control over religious institutions. But the Balkan states still exert some influence over religious life, through the privileged status given to Orthodoxy or, in Bosnia-Herzegovina and Albania, to the three traditional religions of the country (Islam, Orthodoxy and Catholicism), and through the close administrative and financial links existing between religious institutions and state authorities in charge of religious affairs, like the the State Secretariat for Religions in Albania or the Directorate for Religious Affairs in Bulgaria.

Such situations have led to different forms of connivance. In Albania, the Islamic, Catholic and Orthodox religious leaders have supported the Democratic Party in the first years after its accession to power in March 1992, and the relations between this party and the Islamic religious institutions have remained close even after the fall of Sali Berisha in June 1997. In Macedonia, Bulgaria and Greece, state authorities sided with the Islamic religious hierarchy against dissident factions, in exchange for discreet support to moderate political leaders. In wartime Bosnia-Herzegovina, state authorities hastened to endorse the pan-Islamist "coup" within the Islamic religious institutions, and thereafter delegated to them various unofficial missions, such as fund raising in the diaspora and the wider Muslim world.

The Bosnian case brings to light another major aspect of the recent evolution of Islamic religious institutions, which is the influence exerted over them by the main Muslim political parties. In moves similar to those of the SDA, which brutally took control of the Bosnian Islamic religious institutions in April 1993, the PPD in Macedonia and the DPS in Bulgaria took pains to ensure that the new religious leaders elected after 1990 were close to their parties. On the contrary, dissident religious factions have been often linked to political ones :

³³ About the limits and paradoxes of the reislamization process in Bosnia-Herzegovina, see X. BOUGAREL, "Le ramadan, révélateur des évolutions de l'islam en Bosnie-Herzégovine", in Fariba ADELKHAH / François GEORGEON (dir.), *Ramadan et politique*, Paris : CNRS éditions (2000), pp. 83-96 ; X. BOUGAREL, "Trois définitions de l'islam en Bosie-Herzégovine", *Archives de sciences sociales des religions*, vol. XLVI, n° 115 (juillet-septembre 2001), pp. 183-200.

in 1994, in Macedonia, the leaders of the splitting PPDSH supported a dissident faction in the local Islamic religious institutions of Tetovo and, in Bulgaria, the self-proclaimed Grand Mufti Nedim Gendjiev threatened to create its own political party in the case that state authorities would not recognize his legitimacy. But there were only a few religious actors, such as the muftis of Mostar (Seid Smajkić) or Zenica (Halil Mehtić) in wartime Bosnia-Herzegovina, who have had enough legitimacy and resources to acquire any real autonomy.³⁴

Thus, as a general rule, the religious actors prefer to follow cautiously in the wake of state and political actors. The case of the Islamic religious institutions of the Federal Republic of Yugoslavia, which have clashed openly with Yugoslav authorities, does not really contradict this rule. The Islamic religious institutions of the former Yugoslavia had remained in favour of keeping Yugoslavia together until 1991, while the Catholic church was already supporting Slovenian and Croatian bid for independence, and the Orthodox church was actively taking part to the awakening of Serbian nationalism. Thereafter, the Muslim religious leaders of Kosovo and Sandjak have been involved in open conflicts with the new Yugoslav authorities, but at the same time they submitted to the "Kosovo Republic" set up by the LDK, or to the Bosnian Islamic religious institutions controlled by the SDA. The mufti of Belgrade (Hamdija Jusufspahić), for his part, remained loyal to the Yugoslav state and the Milošević regime.

All of this means that, almost without exception, political actors have prevailed over religious ones. It is thus necessary to clarify in what ways these political actors have instrumentalized Islam, and to which types of political practices and ideologies such an instrumentalization of religion is connected. With this in mind, it is possible to distinguish three main patterns :

1) in the first one, Islam is nothing more than a common ethnic and national marker, a symbolic resource which brings added prestige to political notables, and further legitimates their clientelistic practices. Such a pattern is often accompanied by close links between religious and political leaders (through kinship, friendship or common place of origin), and can be used to accurately describe the uses of Islam by the DPS in Bulgaria, the PPD in Macedonia and the Democratic Party in Albania ;

³⁴ In Mostar, Seid Smajkić was one of the main organizers of the Bosnian Muslim resistance against the Croatian forces in May 1993, and in Zenica, Halil Mehtić was closely linked to the Islamic NGOs and the *mujahideens* present in Central Bosnia during the war. H. Mehtić has been dismissed by the Bosnian *Reis-ul-Ulema* Mustafa Cerić in November 1997.

2) in the second pattern, on the contrary, radical nationalists try to instrumentalize Islam in order to contest the dominant ethnic party. In April 1996 in Skopje, for example, the PPDSH formed a coalition with the SDA – “*Islamic Path*” and chose an imam as a candidate in order to win a deputy seat against the PPD. In this pattern, which also applies to the Party of National Recovery (PRK) led by Avdi Baleta in Albania, the radicalization of nationalism encourages both the Islamization of the national identity and the “nationalization” of Islam ;

3) in the third pattern, Islam is perceived both as a political community transcending the national belongings (the *Umma*), and as a political project which strives for a true re-Islamization of the Muslims. This pan-Islamic and ideological view of Islam is supported by small Islamist groups such as the Organization of the Albanian Islamic Youth (*Bashkimi I Rinisë Islamike Shqiptare* –BRISH) in Albania, the SDA – “*Islamic Path*” in Macedonia, or the Bosnian pan-Islamist current which created the SDA in 1990.

The case of the SDA in Bosnia-Herzegovina makes clear that, in practice, these three patterns can be combined together : the pan-Islamist current did create the SDA, but this party later incorporated various tendencies of Bosnian Muslim nationalism, as well as numerous local and non-ideological clientelistic networks. While Islamists in Albania and Macedonia have remained on the margins of the political life,³⁵ the Bosnian pan-Islamist current has managed to propel itself to the top of the new Bosnian Muslim political elites in 1990, and to exercise power in the Muslim part of Bosnia-Herzegovina during a whole decade, between November 1990 and November 2000. But, in the end, Bosnian pan-Islamists themselves have more contributed to the nationalization of Islam in Bosnia-Herzegovina, than to the reislamization of the Bosnian Muslim population.

The appearance and the possible success of Islamist movements in the Balkans is not related to a high level of religiosity : the Bosnian Muslim population is for long one of the most secularized of the Balkans, and, on the contrary, the traditional and rural religiosity of the Muslims in Western Thrace, Bulgaria or Macedonia have facilitated the maintenance of clientelistic practices, but hindered the spread of an ideological and militant Islam. In the Balkans, as elsewhere, Islamist movements appear in the ranks of the intelligentsia and of the

³⁵ In Macedonia, however, a candidate of the SDA – “*Islamic Path*” has been elected in Gostivar in the general election of 1994, as a result of a local coalition with the Turkish Democratic Party (TDP).

academic youth, acting as substitutes for Communist and Marxist commitment as often as for traditional Islamic beliefs.³⁶ As for the ability of these movements to exert political influence on the Balkan Muslim populations, this seems to depend on two main factors : a close link between Islam and national identity on the one hand, and an escalation of interethnic tensions on the other hand. In such situations, Islamist movements have been able to instrumentalize Islam for their own aims, and to place themselves at the forefront of the nationalist mobilization of the local Muslim populations, as shown by the Bosnian case. Beyond these internal factors, the recent evolution of the relationships between Balkan Islam and the Muslim world has also to be taken into consideration.

Balkan Islam and the Muslim World

From 1923 onwards, the disappearance of the Ottoman Empire and the secularist policies of the new Turkish Republic led the Islamic religious institutions of the Balkan countries to develop relationships with other Muslim countries : more and more young Bosnian ulemas went for specialization to the renowned al-Azhar university in Cairo, and some young Albanian ulemas visited the *Ahmadiyya Lahori* (an Islamic heterodox sect) in Lahore, in British India.³⁷ Works of foreign Islamic thinkers like the Egyptian Muhammad Abduh, the Iranian Jamal al-Din al-Afghani or the Syrian Shakib Arslan were translated and discussed in religious circles.³⁸ The interest for the evolutions of the Muslim world can also be illustrated by the participation of a Bosnian delegation to the Muslim World Congresses of 1931 (Jerusalem) and 1935 (Geneva),³⁹ or the influence of the Egyptian Muslim Brotherhood (*Al-Ikhwan-al-Muslimun*) on the nascent pan-Islamist movement in Bosnia-Herzegovina.⁴⁰

After World War II, and during nearly half a century, the links between Balkan Islam and the rest of the Muslim world were interrupted for the most part. From the 1960s onwards,

³⁶ About the social and ideological origins of Islamist movements, see Gilles KEPEL / Yann RICHARD (dir.), *Intellectuels et militants de l'islam contemporain*, Paris : Seuil (1990) ; Olivier ROY, *Généalogie de l'islamisme*, Paris : Hachette (1995).

³⁷ About the links between the Islamic religious institutions of the Balkan countries and the Muslim world in the post-Ottoman period, see A. POPOVIC, *L'islam balkanique...*, *op. cit.*

³⁸ About the influence of these Islamic thinkers in the Balkans before World War II, see for example Fikret KAROIC, *Društveno-pravni aspekt islamskog reformizma*, Sarajevo : Islamski Teološki Fakultet (1990).

³⁹ See Martin KRAMER, *Islam Assembled. The Advent of the Muslim Congresses*, New York : Columbia University Press (1986).

⁴⁰ See for example Sead TRHULJ, *Mladi Muslimani*, Zagreb : Globus (1990).

however, the liberalization and non-alignment of Titoist Yugoslavia allowed the local Islamic religious institutions to reestablish some contacts with the Muslim world, and to send again pilgrims to Mecca, and young ulemas in the Islamic universities of Egypt and other Arabic countries like Irak, Kuwait or Saudi Arabia.⁴¹ Bosnian pan-Islamists, for their part, succeeded in establishing discrete contacts with Sudanese students linked with the Muslim Brotherhood, and to attend clandestinely the Unification Congress of Shi'ites and Sunnis held in 1983 in Teheran.⁴² These informal links would later prove to be crucial ones for the Bosnian pan-Islamist current, in the stormy context of the 1990's.

After the collapse of the Communist regimes, new possibilities of contact and cooperation arose in the 1990's between the Balkan Muslim populations and the Muslim world. At the religious level, not only did many Balkan Muslims participate again to the Mecca pilgrimage, or visit Islamic schools and universities in various Muslim countries (Saudi Arabia and other states of the Arabic Peninsula replacing Egypt as the main destination for young ulemas), but a plethora of foreign religious actors did arrive in the Balkans. These actors can be divided into several categories. For example, one can distinguish states and non-governmental actors like religious brotherhoods (*tarikats*) and reislamization movements, Islamic charities and NGOs, or Islamist political parties. But this difference between governmental and non-governmental actors is partly an illusory one : Muslim states most often intervene in Balkan religious life through semi-official structures like the Turkish Direction for Religious affairs (*Diyanet*), the various Iranian religious foundations or, in Bosnia-Herzegovina and Kosovo, the Saudi Committees for Help and Reconstruction. Besides, many Islamic charities and NGOs are directly or indirectly linked with some Muslim states and governments.

An other distinction can be made according to the geographic origin of these foreign actors. For example, the main Turkish religious actors in the Balkans are the *Diyanet* linked with the state, the *fethullahc* ✕ reislamization movement, led by Fethullah Gülen and very active in the Balkans and Central Asia, various religious brotherhoods like the *naqshbendi* brotherhood, and the Islamist party (Party of Prosperity – *Refah Partisi* and, since its banning in 1998,

⁴¹ See Francine FRIEDMAN, *The Bosnian Muslims. Denial of a Nation*, op. cit., pp. 190-191 ; A. POPOVIC, "Le pèlerinage à La Mecque des musulmans des régions yougoslaves", in *Cultures musulmanes balkaniques*, Istanbul : Isis (1994), pp. 17-41.

⁴² About the relations between the Bosnian pan-Islamists and the Sudanese Muslim Brothers in the 1970's, see Munir GAVRANKAPETANOVIĆ, *Mladi i Mjesec opet blistati*, Sarajevo : NIPP Ljiljan (1996). About the Unification Congress of Shi'ites and Sunnis, see Abid PRGUDA, *Sarajevski proces. Sudjenje muslimanskim intelektualcima 1983 g.*, Sarajevo (1990).

Party of Virtue – *Fazilet Partisi*).⁴³ Other foreign religious actors come from the Arabic peninsula (often referred to as “Wahhabis”, due to the neo-fundamentalist version of Islam they try to spread among Balkan Muslims), from Iran or other non-Arabic countries, and –*last but not least*– from the new Western European Muslim communities.

All these foreign religious actors have various kinds of activities. Most of them support the renewal of Islamic religious institutions by financing the publication of books, brochures and newspapers, the building of new mosques, the work of *madrasas* and other educational institutions, the specialization of young ulemas in foreign Islamic universities. But they have also their own reislamization agendas and activities. During the war in Bosnia-Herzegovina, for example, many Islamic charities and NGOs tried to use the distribution of humanitarian aid in order to change the religious practices of the Bosnian Muslims;⁴⁴ in all Balkan countries, various reislamization movements or Islamic NGOs have opened their own mosques, Islamic centers and religious schools, or supported local religious outsiders like the mufti of Zenica (Halil Mehti) in wartime Bosnia-Herzegovina.⁴⁵ Some foreign actors have adopted different strategies, depending on the local circumstances: in Bosnia-Herzegovina, Iran has made a political use from its close links with the leaders of the SDA, but did not attempt to change the religious practices of the Sunni Bosnian Muslims; in Albania, on the contrary, Iran tries hard to bring the local Bektashi community closer to Shi’i Islam. It means that the monopoly of the official Islamic religious institutions on local religious life has also been challenged by these foreign actors, and that their competition have rendered the internal cleavages of Balkan Islam even more acute and intricate. This reality is illustrated by the fact that, whereas the Islamic World League (*Rabitah*, close to Saudi Arabia) has encouraged in 1991 the creation of an Islamic Council for Eastern Europe, the Turkish *Diyanet* has launched its own Euro-Asiatic Islamic Assembly in 1995.

⁴³ About the Turkish presence in the post-Communist Balkans, see for example Tanıl BORA, “Turkish National Identity, Turkish Nationalism and the Balkan Problem”, in Günay Gökse ÖZDOĞAN / Kemal SAYDAĞILI (eds.), *Balkanlar. A Mirror of the New International Order*, Istanbul: Eren (1995), pp. 101-120; Sylvie GANGLOFF, “La Turquie dans le réseau balkanique”, *Relations internationales et stratégiques*, n° 15 (automne 1994), pp. 63-76; Sabine RIEDEL, “Die griechisch-türkischen Spannungen vor dem Hintergrund des Krieges im ehemaligen Jugoslawien”, *Südosteuropa*, vol. XLV, n° 1 (janvier 1996), pp. 11-47; Ule KUT, “Turkey in the Post-Communist Balkan: Between Activism and Self-Restraint”, *Turkish Review of Balkan Studies*, n° 3 (1996/1997), pp. 39-45. About the *fethullahçılar*, see Rainer HERMANN, “Fethullah Gülen: eine Alternative zur Refah-Partei?”, *Orient*, vol. XXXVII, n° 4 (Dezember 1996), p. 619-645; Hakan YAVUZ, “Towards an Islamic Liberalism? The Nurcu Movement and Fethullah Gülen”, *Middle East Journal*, vol. LIII, n° 4 (Fall 1999), pp. 584-605. About the *Refah Partisi*, see Faruk BİLİCİ, “Le parti islamiste turc (Refah Partisi) et sa dimension internationale”, *Les annales de l’autre islam*, Paris, n° 4 (1997), pp. 35-60.

⁴⁴ About the activities of foreign Islamic NGOs in besieged Sarajevo during the war, see Ivana MAČEK, *War Within. Everyday Life in Sarajevo under Siege*, Uppsala: Acta Universitatis Upsaliensis (2000), pp. 186-200.

⁴⁵ About Halil Mehti, see footnote 34.

Beyond this narrow religious dimension, new links between the Balkan Muslim populations and the rest of the Muslim world have also played an important role at the political level. Before 1989, most Muslims of the world –alike Westerners– were hardly aware of the existence of autochthonous Muslim populations in Southeastern Europe. But, during the 1990's, and especially during the war in Bosnia-Herzegovina, the tragedy of the Balkan Muslims became a central preoccupation of the Muslim world's media and public opinions.⁴⁶

At the state level, Muslim countries manifested their solidarity with Bosnia-Herzegovina through the special summits and numerous resolutions of the Organization of the Islamic Conference (OIC),⁴⁷ or through the visits of Muslim political leaders in the besieged Bosnian capital Sarajevo, like the joint one of the Turkish and Pakistanese Prime Ministers Tansu Çiller and Benazir Bhutto in February 1994. Many Muslim countries, beginning with Saudi Arabia and other states of the Arabic peninsula, provided Bosnian authorities with an important financial support, Islamist movements and Islamic charities around the world organized money collections for the endangered Bosnian Muslims, and Islamic NGOs brought humanitarian help to the refugee camps in Croatia or the besieged populations in central Bosnia and Sarajevo. Iran was the first and main Muslim country which provided also a military support : according to some estimations, about one half of the weapons smuggled to the Bosnian army during the war came from Iran. Besides, Iranian *pasdarans* (Guards of the revolution) and *hezbollahis* (members of the *Hezbollah*) trained and advised the "Muslim brigades", closely linked with the pan-Islamist leaders of the SDA.⁴⁸ In the Fall 1993, other Muslim countries like Saudi Arabia, Pakistan, Malaysia and Turkey started also to send weapons and other military equipments to Bosnia-Herzegovina.

Nevertheless, the importance of this political, financial and military support of the Muslim world to the Bosnian Muslims should not be overstated. Some important Muslim countries

⁴⁶ About the attitude of the Muslim world towards the war in Bosnia-Herzegovina, see for example Tarek MITRI, "La Bosnie-Herzégovine et la solidarité du monde arabe et islamique", *Maghreb-Machrek*, n° 139 (janvier 1993), pp. 123-136 ; Tetsuya SAHARA, "The Islamic World and the Bosnian Crisis", *Current History*, n° 92 (November 1994), pp. 386-389 ; Brynjar LIA, "Islamist Perceptions of the United Nations and its Peacekeeping Missions : Some Preliminary Findings", *International Peacekeeping*, vol. V, n° 2 (Summer 1998), pp. 38-63 ; Fouad AJAMI, "Under Western Eyes : the Fate of Bosnia", *Survival*, vol. XLI, n° 2 (Summer 1999), pp. 35-52.

⁴⁷ About the OIC and the war in Bosnia-Herzegovina, see the special issue of the *Journal of European Studies* published in Karachi (vol. X, n° 2, July 1994).

⁴⁸ See Tom HUNTER, "The Embargo that wasn't : Iran's Arms Shipments into Bosnia", *Jane's Intelligence Review*, vol. IX, n° 12 (December 1997), pp. 538-540.

like Indonesia, Iraq or Libya remained closer to Belgrade than to Sarajevo. The support of the other Muslim governments was not motivated by an abstract and unselfish solidarity with their "European brothers", but by a harsh competition for influence in the post-Communist world, and a need to relegitimize themselves, after the "betrayal" of the Gulf War in 1991, and the beginning of the Israeli-Palestinian peace process in Oslo in 1993. Moreover, the military support of the Muslim countries to the Bosnian army was tolerated, and even encouraged by the United States, as a convenient mean to circumvent the UN arms embargo. Muslim countries were always worried not to clash openly with the Western countries over the Bosnian issue, and the leaders of the SDA themselves expected their salvation from the NATO, not from the OIC, a political forum they used mainly in order to put pressure on the UN General Assembly and the Western governments.

In December 1995, the end of the war in Bosnia-Herzegovina announced the slow decline in interest of the Muslim world for the Balkan affairs. In December 1992, Albania had been the first European country to join the OIC. But, after the Albanian civil war and the fall of Sali Berisha in July 1997, this controversial decision was withdrawn by the new Socialist government.⁴⁹ One year later, the breakdown of the war in Kosovo did not give rise to a new wave of solidarity for the Balkan Muslims. Most Muslim countries –and many other Third World countries– remained quite suspicious towards Albanian separatism, and denounced the NATO intervention against the sovereign Yugoslav state.⁵⁰ Islamist movements, for their part, had difficulties supporting a Kosovo Liberation Army whose leaders had been members of Marxist-Leninist organizations, and remained hostile to religious influences. Some Islamic NGOs assisted Albanian refugees in Macedonia and Albania, and moved into Kosovo after the withdrawal of the Yugoslav forces in June 1999, but their level of activity has remained much more limited than during the Bosnian conflict.

The rapid and rough reaction of the Western countries, the attachment of the Muslim countries to the principles of state sovereignty and territorial integrity, the general decline of

⁴⁹ About the Islamic dimension of Albanian foreign policy, see Odile DANIEL, "L'appel de l'Albanie à la solidarité islamique", *Les annales de l'autre islam*, Paris, n° 4 (1997), pp. 174-181 ; Stephan LIPSIUS, "Politik und Islam in Albanien –Instrumentalisierung und Abhängigkeiten", *Südosteuropa*, vol. XLVII, n° 3-4 (März-April 1998), pp. 128-134.

⁵⁰ About the attitude of the Muslim world towards the war in Kosovo, see Didier BILLION / Olivier DA LAGE, "La guerre du Kosovo et le monde musulman", *Revue internationale et stratégique*, n° 36 (hiver 1999/2000), pp. 139-145.

the Islamist movements since the middle of the 1990's,⁵¹ all these factors explain why the Muslim world did not support actively the Albanians in Kosovo. But another factor is the attitude of the local political and religious actors themselves. In 1992, the pan-Islamist leaders of the SDA had been eager to win the support of the Muslim world and, at the first OIC summit dedicated to Bosnia-Herzegovina, Alija Izetbegović even stated that, "if the tragedy of my people has a good side, a scrap of meaning and goodness, it is the fact that this suffering has awakened the consciousness of the Muslim world".⁵² In 1999, on the contrary, the Albanian leaders showed no special interest in the support of the Muslim world. Even the Balkan Muslim populations did not show a high level of solidarity among themselves: in Kosovo, Slavic Muslims, Turks and Gypsies did not support the fight of the Kosovo Liberation Army, and were also victims of the retaliation acts of their Albanian "brothers".

Thus, generally speaking, the influence of the Muslim world on the evolutions of Balkan Islam has been limited. On the one hand, its growing and many-sided presence in Southeastern Europe has not resulted in closer relationships between the different Muslim ethnic groups, or in a stronger feeling of belonging to the *Umma*. On the other hand, the attempts of various political and religious actors to modify the local understanding and practices of Islam have been met with strong resistance of both the population and the Islamic religious institutions. In wartime Bosnia-Herzegovina, for example, the proselytism of many Islamic NGOs and reislamization movements have been experienced as aggressive and humiliating by a large majority of people, and the religious Islamic institutions have tried to reassert their monopoly on religious activities, as well as the local specificities of Islamic faith.⁵³

It does not mean, however, that the flows of money, weapons, men and ideas stemming from the Muslim world have remained without impact. Material resources, in particular, have been seized by informal networks, and have helped them in consolidating their hold on their own population. This is especially the case in Bosnia-Herzegovina, where the local pan-

⁵¹ About the decline of the Islamist movements, see Olivier CARRE, *L'islam laïc - le retour de la grande tradition*, Paris: Armand Colin (1993); Gilles KEPEL, *Jihad. Expansion et déclin de l'islamisme*, Paris: Gallimard (2000).

⁵² "Govor Predsjednika Predsjedništva R BiH Alije Izetbegovića na konferenciji islamskih zemalja u Džeddi 1. Decembra 1992 g.", in *Govori i pisma Alije Izetbegovića*, München: SDA München (1994), pp. 19-20. About the foreign policy of the SDA leaders at the beginning of the 1990's, see Darko TANASKOVIĆ, "U Evropu preko Islamske konferencije" in D. TANASKOVIĆ, *U dijalogu s Islamom*, Gornji Milanovac: Dežbe novine (1992), pp. 117-129.

⁵³ About the Bosnian case, see X. BOUGAREL, "Le ramadan, révélateur des évolutions de l'islam en Bosnie-Herzégovine", *op. cit.*; X. BOUGAREL, "Trois définitions de l'islam en Bosnie-Herzégovine", *op. cit.*

Islamists channelled the help coming from the Muslim world through the Third World Relief Agency (TWRA), a NGO based in Vienna and led by the former imam Hasan Čengić, and the Sudanese Fatih al-Hasanein.⁵⁴ Thanks to the clientelistic redistribution of the collected money and weapons, the leaders of the SDA managed to circumvent the official state institutions, and took control of the diplomacy, the army, and the secret services. A similar phenomenon –deprived of the clear ideological dimension of the Bosnian case– happened in Albania, where Bashkim Gazidede, the president of the Forum of Muslim Intellectuals and a close collaborator of Sali Berisha, took the lead of the secret services between 1992 and 1997, and used his links with several Muslim countries to reinforce its political influence.

The same kind of informal networks have developed discrete forms of cooperation between members of different Muslim ethnic groups : during the war in Bosnia-Herzegovina, a few hundreds Albanians from Kosovo, Macedonia and the diaspora fought in some units of the Bosnian army like the “*Handžar divizija*”,⁵⁵ and at the end of the 1990’s, weapons were smuggled from Bosnia-Herzegovina to Kosovo. Hasan Čengić and other members of the TWRA were apparently involved in this traffic but, in this case, ideological and pure financial motivations are difficult to disentangle : according to some sources, a part of the weapons sold to the Kosovo Liberation Army came from the surplus... of the Bosnian Serb army !

Conclusion : Beyond the Spectre of Islamic Terrorism

The issue of *mujahideens* in the Balkans, which became suddenly fashionable after the New York attacks, has to be considered against this background. The first *mujahideens* came in Bosnia-Herzegovina in 1992, with the active support of some leaders of the SDA and the nascent secret services, but against the will of many army officers. A conference calling for a worldwide *jiḥād* in support of the Bosnian Muslims was organized in the Zagreb mosque in

⁵⁴ In 1983, Hasan Čengić has been sentenced to jail with Alija Izetbegović and eleven other co-defendants for the diffusion of Alija Izetbegović’s “*Islamic Declaration*” and his participation to the Unification Congress of Shi’ites and Sunnis (see A. PRGUDA, *Sarajevski proces*..., *op. cit.*). During the war, he became a kind of unofficial Bosnian Minister of Defence, and is now one of the wealthiest Bosnian tycoons of the post-war period. Fatih al-Hasanein had been a medicine student in Belgrade in the 1970’s (see M. GAVRANKAPETANOVIĆ, *Mladi će Mjesec opet blistati*, *op. cit.*).

⁵⁵ The “*Handžar divizija*” is an homonym of the SS division created in Bosnia-Herzegovina in 1943, with the support of the mufti of Jerusalem Amin el-Huseini. This military unit gathering Albanians from Kosovo and Bosnian Muslims from the Sandjak region was created in 1991 in Croatia, incorporated into the Bosnian army in 1992, and turned into the 314th motorized brigade in 1993.

September 1992, but the then Yugoslav *Reis-ul-Ulema* Jakub Selimoski was opposed to any islamization of the meaning of war.⁵⁶ Moreover, the relationships between the local population, the Bosnian authorities and the *mujahideens* deteriorated rapidly, due to their aggressive attitude and their attempt to impose their neo-fundamentalist version of Islam. In 1993, clashes between the *mujahideens* and the local fighters of the "Muslim brigades" –more influenced by the neo-sufi practices of the *naqshbendi* brotherhood– even compelled the Bosnian army to gather the *mujahideens* in a separate unit : the "*el-Mudlāhid*" brigade.

After the war, the welcomed "freedom fighters" became an more and more embarrassing burden for the leaders of the SDA : not only were the former *mujahideen* charged with terrorist attacks against the Croat population and the Catholic church, but they collided with local religious outsiders like Halil Mehtić, and the young followers they had recruited during the war gathered in an autonomous movement –the Organization of the Active Islamic Youth (*Organizacija Aktivne Islamske Omladine* –OAIO), and started to denounce the leaders of the SDA as corrupt politicians and... religious hypocrites (*munafici*) ! In the meantime, most *mujahideens* had left Bosnia-Herzegovina for other *jihads* in Kashmir or Chechnia, but a few hundred had got the Bosnian citizenship, and a few dozens had settled in emptied villages like Guča Gora (Travnik) and Bošnja (Maglaj). The last compact group of *mujahideens* was disbanded by the police in Bošnja in July 2000, a few months after the municipality of Maglaj has been taken over by the Social-Democratic Party.

It means that, already in the second half of the 1990's, the issue of *mujahideens* and (alleged) Islamic terrorists in Bosnia-Herzegovina belonged largely to the past.⁵⁷ The same is true for other Balkan countries : following the fall of Sali Berisha and the flight of Bashkim Gazidede in 1997, Albania has ceased to be a safe haven for Islamist activists, and the few *mujahideens* who tried to join the Kosovo Liberation Army in 1999 were apparently handed over by the local fighters to the Albanian police or...to the CIA.

Indeed, the change of attitude of the United States towards Islamic activists in Southeastern Europe goes also back to the second half of the 1990's : the arrival of US troops in Bosnia-

⁵⁶ Jakub Selimoski was replaced by Mustafa Cerić, the main imam of the Zagreb mosque, in April 1993, after the pan-Islamist "coup" within the Bosnian Islamic religious institutions. About the debates surrounding the concept of *jihad* in Bosnia-Herzegovina, see X. BOUGAREL, "L'islam et la guerre en Bosnie-Herzégovine : l'impossible débat ?", *op. cit.*

⁵⁷ See Esad HEČIMOVIĆ, "Bosnia : A Safe Haven for Terrorists ?", *Transitions Online* (25 September 2001).

Herzegovina in January 1996, the end of the American support to Sali Berisha in March 1997, the bomb attacks against the US embassies in Nairobi and Dar es-Salam in August 1998 have all contributed to a more and more intransigent attitude.⁵⁸ Some activists of the region have understood the message, beginning with Alija Izetbegović himself, who denounced terrorism and anti-Western attitudes in December 1997, in his speech at the OIC summit. Others have been marginalized, put in jail, or have gone into healthier climes. From this point of view, the arrests which happened in Bosnia-Herzegovina and other Balkan countries after 11 September 2001 are not a turn, but the continuation of a policy initiated a few years before.

Thus, the sudden and belated focus on *mujahideens* and Islamic NGOs in Southeastern Europe is concealing the fact that most of them have left the region for years, and that Islamist movements are also declining there, as illustrated by the fact that the Bosnian pan-Islamist current has lost the power after the electoral defeat of the SDA in the general election of November 2000.⁵⁹ For now, the consequences of the 11 September attacks are only speeding up this decline, by severing the links between local activists and their foreign sponsors, and compelling the political and religious leaders of the Balkan Muslim populations to better define the main features of the European Islam they claim to represent.

What remains is the fact that the neo-fundamentalist version of Islam promoted by various Muslim countries, reislamization movements and Islamic NGOs has taken roots in parts of the Muslim youth. Groups of young neo-fundamentalists are now active in all Balkan countries, the most important of these groups being no doubt the Organization of the Active Islamic Youth (OAIO) in Bosnia-Herzegovina. Similarly, some ulemas linked with Islamic NGOs and former *mujahideens* or coming back from the Islamic universities of the Arabic peninsula exert now a real influence in some important institutions like, in Bosnia-Herzegovina, the Direction of the Waqfs or the Islamic Pedagogical Academy of Zenica. But, as long as they do not succeed to instrumentalize the fears and frustrations of a significant part of the population, these local "wahhabis" are not a sign of the radicalization of Balkan Islam, but an element of its internal pluralization and ongoing modernization.

⁵⁸ About the relationships between the United States and Islamist movements, see Fawaz GERGES, *America and Political Islam. Clash of Cultures or Clash of Interests ?*, Cambridge : Cambridge University Press (1999).

⁵⁹ One of the paradoxes characterizing the new political situation in the Bosniac part of Bosnia-Herzegovina is the fact that the "Alliance for Changes" led by the Social-Democratic Party (SDP) is also supported by the Bosnian Patriotic Party (*Bosanska Patriotska Stranka* –BPS), whose deputy in the Bosnian Parliament is... Halil Mehti, former mufti of Zenica, and main figure of the neo-fundamentalist current outside the Islamic religious institutions.

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THE INTERRELIGIOUS AND INTERCIVILIZATIONAL INTERACTION IN THE GLOBAL ERA: THE CASE OF TURKEY-EU RELATIONS

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There are several relevant questions within the context of modernity, globalization and civilizational traditions: Is modernity a static objective to be reached or "an Unfinished Project" as it has been described by Jurgen Habermas?¹ If it is an unfinished project, what will be the role of non-western civilizations that has been object of this project, in the next phase of it? Is globalization an irreversible part of this universal project or culture-bound counterpart of a form of modernity as a product of a particular civilization? Can there be different reflections of this project in congruent with the authentic traditions of non-western societies or the de-construction of the authenticity of non-western civilizations is a natural and irresistible pre-condition for the completion of this project? If the de-construction is inevitable, then will there be any historicity of non-western civilizations in the future of human being? If there will be no historicity, then what does the rhetoric of pluralism mean?

It was easy to answer these questions in early decades of twentieth century when Arnold Toynbee declared "the last agonies of non-western civilizations". The expectation in those decades was a natural vaporization of authentic cultures and civilizations as a result of this universal project of modernization and secularization supported by the power-centric hegemony of the western civilization.

The situation at the end of this century, however, is quite different. Today neither the question nor the process is one-dimensional and one-directional. The process of globalization has brought about many interacting forces in a dynamic way. It has a great impact both on the domestic cultural structures as well as on the relations between cultural zones and their international consequences. The aim of this paper is to analyze the transformations of the European Union, the Muslim World and Turkey in this dynamic process of globalization and the impact of these transformations on their mutual relations.

¹"Modernity-an Unfinished Project" was the title of Habermas' speech in September 1980 upon accepting Adorno Prize. See Jurgen Habermas, "Modernity versus Postmodernity", *New German Critique* 22(1981):3-14 and Jurgen Habermas, *Philosophical Discourse of Modernity*, p. xx.

I. Transformation of the European Union and Global Challenges: From Continental Unity to Transcontinental Multiculturalism

The process that transformed Europe from a continent historically divided by nationalism into an emergent unified economic and political power center is not a one-dimensional, and unidirectional process. Rather, it is a multidimensional and stage-oriented process of transformation which has been shaped by the dynamic dialectic of the action-reaction relation between the intra-Europe forces and international context. The transformation of the name of this project reflects the natural, multi-staged and responsive character of this process: the European Coal and Steel Community (ECSC) in 1950's, the European Economic Community (EEC) in 1960's and 1970's after the Treaty of Rome in 1958, the European Community (EC) in 1980's and the European Union (EU) in 1990's.

It has started as a defensive strategic position limited to sectoral economic cooperation as a response to the weakening of European powers in the international arena in the aftermath of the World War II. Jean Monnet, the mastermind behind this project, "had learned from the experience during the World War I, that for France, Great Britain, and all other European countries, international coordination of economic and political policy was a prerequisite for national survival; without it economic growth would be stifled, war would become likely, and dependence on external powers inevitable."²

This position has been transformed in every stage of the process effected by the internal dynamics of Europe and external dynamics of the international system. This transformation was not only a change in the institutional structures, but also a change of basic approach and mentality. The graduality of this transformation gave to this process an evolutionary character rather than a a revolutionary change. A paradigmatic shift has occurred through this evolutionary process (i) from the national economic formations to the regional economic union, (ii) from the political structures based on national sovereignty to the supranational political institutionalization and (iii) from the cultural homogeneity to the multicultural society. This paradigmatic shift, in fact, is a natural consequence of the transition from the process of modernity to the process of globality.

The European Union is on the eve of an even much more comprehensive transformation in this paradigmatic shift. The transition from ECSC to EEC was a transformation from a sectoral approach to a comprehensive economic regionalism. Therefore, it was mainly an

² See Jean Monnet, *Memoirs*, trans. Richard Mayne (New York, 1978), Ch. 3 and Jean Monnet, *The Path to European Union*, ed. By Douglas Brinkley and Clifford Hackett, (New York: St. Martin's Press, 1991) p. 129.

economic challenge. The transition from EEC to EC was a transformation from an economic cooperation into a political grouping. Therefore, it was a challenge of political will (especially regarding foreign-policy orientation.). The transition from EC to EU was a transformation from an economic-political zone into a consistently established social, economic, political and cultural entity. Therefore it was a challenge of a sophisticated institutionalization in all sectors of life.

All of these stages of transformations were necessary to create a unified Europe having its own center of gravity in the sense of the legal, economic, social, political and cultural concentration. They are not sufficient, however, to make Europe the locomotive of the future process of globalization which will necessarily lead into a much more comprehensive direction of multiculturalism. The new challenge is basically a value-oriented challenge which brings about a radical shift of paradigm in approaching humanity in the sense of the transformation from the Eurocentric mentality to an accomodative understanding of human culture, history, even geography.

This picture becomes much more clearer when we evaluate these stages of transformation from the perspective of religion. First, we have to understand religion beyond its conventional meaning as an institution with a recognized body of communicants who gather together regularly for worship, in order to grasp the complexity and possible consequences of this new challenge. Religion should be seen as a source and part of collective memory, cultural identity, historical continuity and social solidarity. Hervieu-Leger's definition of religion as " (1) the chain which makes the individual believer a member of community-a community which gathers past, present and future members-and (2) the tradition (or collective memory) which becomes the basis of that community's existence"³ might be a meaningful anchor point from this perspective.

With six founding members, EU has undergone three enlargements, and a number of applications are pending. It is interesting to note from the perspective of the collective memory that, except Greece, EU continued to enlarge within the Westphalian zone until today. Six founding members of the European Union (Germany, France, Italy, Netherlands, Belgium and Luxembourg) was the traditional core of the Holy Roman German heritage which could be traced back to the Carolingian Empire. The first enlargement in 1973 (Britain, Denmark and Ireland) was towards the northern mainly Protestant periphery of this core. The second enlargement (Greece, Spain, Portugal) was towards the southern classical Latin/Catholic

³ Hervieu-Leger, D. *La Religion pour memoire*, (Paris:Le cerf, 1993); quoted in Grace Davie, *Religion in Modern Europe: A Memory Mutates*, (Oxford, Oxford University Press, 2000) p.30.

periphery with the exception of Greece. The third enlargement (Sweden, Finland and Austria) was mainly towards Scandinavian periphery. So, except Greece, all of these territories were part of the Westphalian zone having a common collective memory in the sense of the religious traditions and their role in Europe. Greece has been seen as part of this collective memory because of its ancient roots in the Christian and European tradition.

The next step of enlargement brings about a new challenge from this perspective. Now, first time in its history, EU will enlarge beyond the zone of the Westphalian Peace which shaped the modern European approach towards the religious and political identities. The integration of the Slavic/Orthodox elements will be accomodation of "the intra-paradigmatic other", while integration of Turkey will be the accomodation of the "inter-paradigmatic other" in the sense of the collective memory for many Europeans.

So, integration of Turkey will not be a simple bilateral proces based on institutional adjustments. It will necessarily bring a more comprehensive challenge related to the multicultural and multireligious coexistence which will require a transformation in societal relations, historical imaginations and cultural perspective. The internal dynamics of the European Union will accelerate this process of multiculturalism. Islam has become the largest other-faith population in Europe. Approximately 6 million Muslims make up approximately 3 percent of most West European populations. First time in its history, Europe is facing such a phenomenon of multicultural demography in its own heartland and traditional big cities. This transformation is a natural consequence of the colonial expansion in the 19th century because of the migration from the colonies to the center of colonial empires especially in Britain and France.

Integration of Turkey will effect the demographico-cultural character of Europe. Therefore it will not be an ordinary process of integration from the perspective of the historic paradigm shift of the EU. Rather, it will be a test fro the accomodativeness of the EU. It will show the capability of EU to integrate the historically inter-paradigmatic other. The enlargements of the EU until today showed its capacity to integrate a culturally more homogenous part of the continent. Therefore, it was mainly a neo-traditionalist attempt. The next enlargement will be a test whether EU will continue as a neo-traditionalist attempt in order to create a continental center of gravity or a global alternative for a participatory international order. This will be a value-oriented challenge rather than a power-oriented one.

II. The Transformation of the Muslim World in the Global Era: From a Geographical Zone to a Global Cultural Phenomenon

The Muslim World, too, has been going through a comprehensive transformation in the process of modernization and globalization. The developments and transformations in the theoretical and practical agenda of the politics of the Muslim World in the 20th century may provide us with significant clues to make projections for the future. The transformations of the Muslim World in the 20th century can be analyzed in four different and consequent phases each of which belongs to almost one quarter of the century: (i) the era of semi-colonial dependency in the first quarter till the end of the First World War which was a continuation of the 19th century in the sense of the international political and economic system; (ii) the inter-war period of absolute colonial dependency till Colonial Revolutions after the Second World War; (iii) the period of the formations of nation-states from Colonial Revolutions till the establishment of OIC in 1969; (iv) the era of civilizational revival, political confrontation and reactive cooperation in the post-OIC period. Each of these historical phases marks a different relationship with the existing international system.

The radical changes in the post Cold War era has effected the relationship between Europe and the Muslim World. First of all, there has been a transformatory change in the geographical image of the "Muslim World". The concept of the Muslim World for the first phase of this transformation was referred to the Ottoman state in its last agony as the Sick Man of Europe and other colonized Muslim lands. The concept of Muslim World was used for a mere Afro-Asian colonial phenomenon in the second phase of this century. John Mott's forward to his book *The Moslem World of To Day* reflects this Eurocentric approach related to the concept of the Muslim World: "Moslem world of to-day is markedly different from that of yesterday.(...) Almost every Moslem land -in Africa, in Western, Central and Southern Asia, and in the East Indies- is ablaze with new national and social aspirations and ambitions."⁴

The Muslim World in third phase meant a collection of the individual states. The religious Near-Eastern question around the rhetoric of the Sick Man of Europe which was used for Balkans in late 19th century, began to be used for the Middle East in this third phase, after the establishment of Israel as a Jewish state in Muslim political environment. The Muslim World has been identified with the Middle Eastern question during this phase because

⁴John R. Mott, Ibid, p. vii.

of the fact that the main confrontation between systemic forces and the Muslim World has been in Palestine during this era.

The geographical meaning of the concept of the Muslim World has changed again in Post-Soviet era after the re-emergence of the Euro-Asian component of the Muslim World. The re-emergence of the Muslim *Rimland* after the end of the bipolar Cold War as the indication of a new phase, made a radical change related to the image of Asia-African Muslim World. The Euro-Asian component of the Muslim World came to the picture as an important factor in international relations. The Muslim World began to be seen as an Euro-Asian entity as well as an Asia-African entity after the emergence of the New Republics in Central Asia, Caucasias and Balkans.

The emergence of the Euro-Asian component of the Muslim World has created two significant results. One is the emergence of the new Muslim-populated independent states, such as Azerbaijan, Turkmenistan, Uzbekistan etc. The second is the change in the status of the Muslim minorities in the new international context, such as Chechens, Dagestanis, Tatars etc. in Russia, Albanians in Kosovo and Macedonia and Bosnians in Sanjak. The problems of Muslim minorities have brought about new challenges for the Muslim World in general and for concerned Muslim countries in particular.

This has directly effected the EU-Muslim World relations both in the sense of the rise of the historic tension and intensification of the institutional/diplomatic relations. Bosnian crisis was a striking example of this case. The Serbian brigands tried to justify their ethnic cleansing in Bosnia on the grounds that they were fulfilling a historical mission by defending Europe against Muslims. As Friedman underlines "many analysts, of course, point to the Bosnian Muslims as an anomaly in the middle of Christian Europe and imply that the collapse of Communism meant that other threats to European stability--such as the menace of Muslim radicalism--needed to be dealt with"⁵.

Ethnic cleansing in Bosnia and Western indifferent attitude to this crime at its early stage, on the other hand, has provoked traditional anti-colonialist and anti-West sentiments among the Muslim masses all over the world. Following statements of a Bosnian soldier reflect this psychology: "I never thought of myself as a Muslim. I never went to mosque. I am European like you. I do not want the Arab world to help us, I want Europe to help us. But now, I do have to think of myself as a Muslim, not in a religious way, but as a member of a people. Now

⁵Francine Friedman, "The Bosnian Muslim National Question", in Paul Mowzes (ed.), *Religion and the War in Bosnia*, (Atlanta: Scholars Press, 1998, p.1.

we are faced with obliteration, I have to understand what is about me and my people they wish to obliterate."⁶

Despite these negative sentiments, positive institutional/diplomatic relations has also intensified in this period. The international disputes in Kosovo, Macedonia, Karabagh and Chechenya became significant issues in the agenda of the European institutions such as OSCE. This has proven the fact that Islam is not a religion of another continent anymore, it is part of the European agenda in the international arena. The intensification of the relations within Euroasia will even further accelerate these links.

Another significant change in the concept of the Muslim World is the increasing demographic proportion of Muslim masses in western countries, such as Algerians in France, Pakistanis in Britain and Turks in Germany. This demographic factor is, in fact a reflection of the colonial spheres of influences in the second phase of this century, except Turkish migration to Europe. Muslims constituted the second largest religious group in almost all European countries, as a parallel phenomenon of this radical demographic change.

There are mainly three key factors that affected the emergence and formation of the Muslim minorities. The first was colonial heritage which resulted in the dissolution of the Muslim states and communities, such as British colonialism in India, French colonialism in West Africa and Russian invasion in Tataristan and Crimea. The second was the emergence of nation-states which has created inconsistencies between geocultural and geopolitical zones, such as Albanian minorities in different nation-states in Balkans. The third factor was migration during the transitionary process from the colonial to the global political economy. The colonized people of the colonial political economy began to migrate to the lands of colonizers during this process, such as Indo-Pakistani communities in Britain and Algerian communities in France. These communities formed new groups of Muslim minorities in non-Muslim lands.

Another characteristic of the change in global political economy is the demographic shift from South to the North in general and from the Muslim World to the West in particular. Today, Algerians in France, Indo-Pakistanis in Britain and Turks in Germany form second largest religious/ethnic groups in particular countries. The dynamic forces of globalization will accelerate this process.

About a third of the world's Muslim population today live as minorities in non-Muslim majority countries. So, the concept of the Muslim World, today, does not only reflect a

⁶Ed Vulliamy, *Seasons in Hell: Understanding Bosnia's War* (New York: St.Martin's Press,1994), p.65;

geographical zone, but also comprises a demographic factor in non-Muslim majority countries. A new interdependency emerged between Muslim countries in the traditional geographical zone of the Muslim World and demographic extensions of them in the other parts of the world. Therefore it is impossible to have a categorical separation of line between civilizations in the global era. Huntington's separation of "West and Rest" is neither true as a fact, nor ethical as a norm. An American city, today, has a Muslim population and Chinatown as well as Americans of WASP origin.

This is a new phenomena in the history of Muslim societies. In classical centuries, the existence of Muslims in non-Muslim territories was exceptional while the existence of non-Muslims in Muslim lands was permanent. Therefore there was an established *dhimmi* law for the non-Muslims in Muslim lands while a well-defined and comprehensive law for the Muslims in non-Muslim lands was not developed except issues related personel practices. Today, the existence of Muslim communities in non-Muslim lands is becoming a permanent phenomenon. This is a very comprehensive new challenge for the Muslim world both in theoretical and practical sense.

A comparative analysis of the change of the Muslim existence in the West in four phases of the 20th century verifies this fact.: 1. phase:students and personnel of the embassies; 2. phase:students and personnel of the embassies; 3. phase:students, personnel of the embassies, workers and immigrants; 4. phase:students, personnel of the embassies, workers, second generation of immigrants, citizens and institutional existence.

The number of the Muslim citizens in the West is rapidly increasing which brings about many national and international challenges, such as political participation, integration to the public life, cultural co-existence, ethno-centric reactions etc. Despite the problems and challenges, the demographic and institutional existence of Muslims in Europe in particular and in non-Muslim populated countries in general, is intensifying with the wave of the globalization. OIC and other international Islamic organizations should respond to this new phenomenon through transforming the existing structures, formulatīng nēw pōlīciēs ānd establishing new institutions.

A new geoculture, on the other hand, is emerging in the Muslim World. The fundamental characteristic of this new geoculture might be summarized as "plurality versus unity". The modernity, itself, is accelerating this process. Several geocultural zones, on the other hand, are emerging especially on linguistic bases. These zones might be classified into give regional

categories each of which contains around 200-250 millions of Muslims; (i) the Turkish speaking Euroasian component from Balkans to Central Asia; (ii) the Arabic speaking Middle Eastern and North African component; (iii) mainly Swahili and Hausa speaking Sub-saharan African component; (iv) Urdu and Bengali speaking Sub-continent Indian component and (v) the Malay speaking Indo-Malay archipelago. There are also significant passages of geocultural zones such as Persian speaking Iranian zone between Euroasia, Central Asia and Subcontinent and Sudan between Arab and Sub-saharan components.

Almost all of these geocultural zones have demographic extensions in the form of the Muslim minorities in the neighboring countries and geocultural zones. The second generation of the Muslim minorities in Europe and North America may produce a new cultural axis in the near future in the form of Euro-Islam or American Islam.

3. The Transformation of Turkey in the Global Era: “Torn country” or Bridge between Cultural Milieus

History and geography are two important factors in the process of the formation and transformation of the international position of a country. This statement is especially true in the case of Turkey. The unique historical and geographical characteristics of Turkey should be analyzed in order to understand her possible role in the intercivilizational and interreligious interaction in the global era.

Turkey is a typical country of transition between East and West and between North and South from the perspective of geopolitics, geoculture and geoeconomics. Therefore, she has multidimensional character depending on the perspective of analysis. Turkey is a Muslim/Asian country from the perspective of cultural/demographic character while she is a Western/European country from the perspective of the political establishment and membership in international organizations such as NATO, OSCE etc. She might be seen as part of the South based on the basic economic indicators such as high density of population and low per capita income, while she might be seen as part of the North because of being member of OECD and other international links with the global capitalistic markets.

Even a short analysis of Turkish geostrategic, geoeconomic and geocultural position may give us enough clue to understand the advantages as well as the challenges originated from this position. Turkey is in a geographical location where Asia and Europe; Black Sea and Mediterranean Sea; Balkans, Middle East and Caucasia intersect. This is the southern passage between West Asia and East Europe. So, Turkey is a West Asian and East and South

European country at the same time. Therefore she commands a significant transitional position in international affairs in Euroasia in general, and in Balkans, Caucasia, Middle East and Central Asia in particular.

One important characteristic that distinguishes Turkey from other candidate countries to EU, which are mainly East European countries, is that Turkey is at the same time a Middle Eastern, a Balkan, a Mediterranean and Caucasian country. Turkey is neither one-regional or one-continental country. Unlike Germany, for example, Turkey is as much a European country as it is an Asian one. This geographical vastness places Turkey right at the center of many geopolitical areas of influence, geoeconomic areas of transaction and geocultural areas of cultural interaction.

From the perspective of geopolitical location, Turkey occupies a central stage in the southern belt of Euroasia. Turkey is part of the strategic core of *Rimland* which is composed of the surrounding peninsula and islands of Euroasia. These are the lands which link the huge Euroasian steps to the hot oceans and seas. Anatolian peninsula, as the main land of Turkey, is in the centre of these strategic link of Euroasian peninsulas from the Scandinavian in North to Iberian, Italian, Balkan peninsula in the Mediterranean, Arabian, Indian and Southeast Asian peninsula in the Indian Ocean and Korean peninsula in Pacific.

The strategic competition among the superpowers in Cold War era occurred on these strategically very important lands. The containment policy of the U.S. aimed to control this Rimland so as to neutralize the power of the Heartland which was then under the control of the USSR. This policy based on a series of alliances: NATO (from Norway to Turkey), CENTO (from Turkey to Pakistan), SEATO (from Pakistan to Philippines in East and New Zealand in South). USSR's attempts to break this containment of Rimland and the US' attempts to arrest USSR in its Heartland led to many inter-state and intra-state wars throughout the Cold War era.

There are four main strategic and economic links and routes between Euroasian steps and Oceans: i. through Balkans to Mediterranean Sea, ii. through Caucasia to Gulf and Indian Ocean, iii. through Central Asia to Indian Ocean, iv. through East and Southeast Asia to Pacific. Therefore almost all flashpoints and crisis in international politics which led to interreligious and intercultural clashes as well, such as Bosnia, Gulf, Chechnya, Azerbaijan, Afghanistan and Kashmir, are on these strategic Rimland which control as these routes and passages.

A similar transitional position is valid for the geoeconomics of Turkey. There were several trade routes in the history through which cultural exchanges could have been possible. Turkey is on a geographical location where many of these traditional trade regions and trade routes, from East and South Asia to Europe, intersected. Two-directional transport from the West to the East, and from the East to the West has met in Istanbul throughout the centuries.

Istanbul was the ultimate west of the famous traditional *Silkroad* from the east to the west, and also the ultimate east of the modern *Orient Express* from the west to the east.

This is true for today as well. Turkey is still in the centre of the chain of trade routes, energy transfer links and pipelines. Turkey has the largest coastline (3558 km.) in the Middle East, Mediterranean Sea and continental Europe. This large coastline provides Turkey with a great advantage in intercontinental and regional trade and transfer of resources. Bosphorus and Dardanelles straits which separate Europe and Asia are among the most busiest seaways on earth.

Another significant characteristics of the geoeconomics of Turkey is the existence of vital resources in the region around Turkey and their transfer links. Middle East is the richest region in oil reserves. The pipeline in the Middle East, from Northern Iraq (Kirkuk) to Ceyhan goes through the lands of Turkey while the other one from Saudi Arabia reaches to Eastern Mediterranean region, very close to Turkish coastline.

Geostrategic position of Turkey and close cultural links between Turkey and Central Asian countries made Turkey a key country in the intercontinental geoeconomic links of the post-Soviet era. The question how these rich oil and natural gas resources will transfer from Central Asia to Europe, Mediterranean Sea and Indian Ocean became the most critical question of Euroasia in last decade. Turkish geography in the south of Black Sea is an indispensable factor during the negotiation process for many feasible alternative projects of the possible transfer routes of these vital resources.

These geostrategic and geoeconomic position of Turkey has a special impact on Turkish role in the intercivilizational and interreligious interaction in the global era. Geographical depth necessarily brings about a historical vastness. Turkey is a country that is equidistant from all the centers of civilization that have deeply influenced and shaped human history. It has inter-reacted with Egypt, Mesopotamia, Greece, the Mediterranean and Persian basins.

This historic heritage brings about great challenges for Turkey in this era of global transformation. It shapes the main characteristics of the geoculture of Turkey as a country of civilizational interaction, synthesis and confrontation between East and West, Islam and Christianity, Asia and Europe, tradition and modernity and locality and globality. Two different, and sometimes alternative, sets of values, institutions and way of lives operate in Turkish culture.

Turkey, as the successor of the Ottoman state, has been a frontier between Islamic and Western civilizations. Ottoman state which governed all Eastern and Central Europe until Vienna and dominated over Europe until the eighteenth century. Turkey continued to carry the impact of this historic heritage, in spite of a radical westernization process. People are 99% Muslim; but there has been a continuing ambitious secularization project.

This two-dimensional and two-directional, one an Islam-oriented socio-cultural formation of historical heritage and the other one a modern and radical westernization process, has been

the fundamental dynamic factor of the contemporary Turkish culture. The split between the cultural discontinuities of the secularization policies and surviving continuities of traditional culture is a de-stabilizing factor which prevents a socio-political harmony.

Today, Turkey is searching for a balanced synthesis of these two set of civilizational entities, namely Islamic and Western, Asian and European, traditional and modern, local and global. It is interesting to note that that majority of Turkish people (with 99 per cent Muslim religious denomination), supports EU membership. According to a poll conducted by Piar-Gallup, an Istanbul-based survey company, in 17 Turkish cities, 68.7 percent of the people are in favour of EU membership, while only 9.9 per cent is against it. The overwhelming majority also supports political and cultural reforms demanded by the EU membership. Those who wish Turkey's EU membership believe that it would bring economic benefits (49.6 per cent) and enhance Turkey's strength and significance (12.4 per cent).⁷

A need for a multidimensional foreign policy for Turkey has emerged because of these conditions in post-Cold War era. The basic dimensions and links of Turkish foreign policy reflect this multidimensional and transitional character. Turkey is a member of NATO, OIC (Organization of Islamic Conference), ECO (Economic Cooperation Organization composed of Turkey, Iran, Pakistan, Afghanistan and six Central Asian Republics), BSEC (Black Sea Economic Cooperation, members are Russia, Ukraine, Moldavia, Rumania, Bulgaria, Georgia, Greece, Bosnia, Armenia and Azarbaijan), Turkic Summit, D-8 (Eight major Muslim developing countries such as Iran, Pakistan, Bengaldash, Malaysia, Indonesia, Egypt and Nigeria) and at the same time a candidate for the EU.

This combination shows the essential components of modern Turkish identity and its impact on Turkish role in the global era. Such a combination carries a risk of split and conflict both in the domestic and in the international arena. The same combination, however, may also lead to a great international responsibility in the global era through being a bridge between these cultural, economic and strategic zones. Turkish integration to the EU will be a test for Turkey to show her ability to take this global responsibility especially in the process of the intercivilizational and interreligious interaction.

The EU-OIC Forum initiated by Turkey in February 2002 has had some very interesting results that illustrated the characteristics of the post-Cold War period and the suitable maneuvering area of Turkey as an icebreaking actor among the religious/cultural zones in the global era. First of all, this Forum has the distinction to be the most widely attended Forum in the Afro-Eurasian scale which has been the stage of geocultural tension after the Cold War. This Forum, was the first diplomatic platform of non-western civilization basins, which Huntington tried to turn into tools for strategic pragmatism, for the momentum and confrontation currents that gained popularity in the last quarter of the 20th century. It has also

⁷ "Aklımız Avrupa'da," *Milliyet*, September 21, 2000.

made possible the sensible discussion of the Western-Islamic tension that flared up in the period after September 11.

In the near future when the post-Cold War dynamic climate will be restructured, Turkey, as one of the leading intermediary actors for global and regional accessibility, has the ability to lead important ramifications to both assist in global peace through easing the tension between cultural and religious zones and communities. For initiatives that both strengthen global/regional peace efforts and create a suitable atmosphere for the intercivilizational and interreligious dialogue to produce enduring results, they need to create a permanent traditions and institutions. In order to fulfil this mission, Turkey should resolve her own domestic tensions in the field of cultural/political identity and religious/secular institutionalization. The process of Turkish integration to the EU will bring new and more comprehensive challenges in this sense.

Concluding Remarks:

In short, the EU-Turkey relation is not a one-dimensional bilateral process of integration. The transformatory character of globalization makes this process a comprehensive challenge for both sides especially in the field of intercivilizational and interreligious relations. The challenge of globalization for the EU from this perspective is a challenge of accommodativeness which necessarily brings about a change of orientation from the domestic/continental scene of the EU towards the transcontinentality of the process of globalization. The challenge of globalization for Turkey in this process, on the other hand, is a challenge of integration which necessarily brings about a change of orientation from the domestic/unitarian structure of the nation-state towards the interregional and intercontinental role in the Euroasia

These challenges makes Turkish integration to the EU a multidimensional process having three consequent levels: bilateral, continental and global. The major issues of the process of integration from the perspective of cultural/religious relations, such as the legal framework of the cultural/religious rights, social dimensions of the cultural/religious co-existence, socio-political representation of the religious/cultural groups reflect this multidimensional process.

Today, there is a need for a new approach which will harmonize globality with plurality, inter-civilizational dialogue with intra-civilizational integrity, metaphysical and non-material happiness with a global standard of minimum level of consumption for all societies throughout the globe. Otherwise, categorical classifications such as cultural tension between West and Rest and economic tension between North and South will continue to threaten the future of humanity. The EU-Turkey relation will be a significant indicator for the future trends in this sense.

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