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Dan CATARIVAS Massimo D'ALEMA Oded ERAN Itamar GAZALA André GERRITS Emanuele GIAUFRET Alfred GUSENBAUER Isaac HERZOG Rosemary HOLLIS Hiba HUSSEINI Alessandro MINUTO-RIZZO Roby NATHANSON Vassilis NTOUSAS Per ÖRNÉUS Tal SADEH Sven-Eric SÖDER Claire SPENCER Ernst STETTER Ricard TORRELL Moshe (Bogie) YAALON Amos YADLIN Elias ZANANIRI

GLOBAL CHALLENGES AND THEIR IMPACT ON THE MIDDLE EAST

INSIGHTS FROM THE CONFERENCE ON "EUROPE AND THE MIDDLE EAST: A NEW ERA IN INSTITUTIONAL MANAGEMENT OF PEACE, SECURITY, AND ECONOMIC DEVELOPMENT"

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FOREWORD

DR. ERNST STETTER

SECRETARY GENERAL, FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

This is the third annual conference that we have organised in Israel and the second at the INSS, and I would like to state that the Foundation for European Progressive Studies (FEPS) is very pleased that it was possible to set up such a wonderful conference in Israel with the active and valuable support of:

The Macro Center for Political Economics and its Director General Roby Nathanson; our hosts, the Institute for National Security Studies (INSS); and, of course, two of the most active members of FEPS, the Karl Renner Institute represented by its President the former Chancellor of Austria, Alfred Gusenbauer, and the Fondation Jean Jaurès, which was represented by Mr. Laurent Cohen, who is the Foundation's Deputy Director General. Let me also express my warm welcome to Massimo D'Alema, the former Italian Prime Minister and our FEPS President for the last 8 years.

We have gathered in Tel Aviv to focus on a very important topic - that of managing peace, security and economic development through an institutional perspective during the troubled times our world is going through at the moment.

Before starting our deliberations allow me to convey to you warm greetings from the former prime minister of France, Jean Marc Ayrault. He regrets not being with us today due to a personal issue, which happened in Bangkok and forced him to remain there. But he asked me to convey to you three points which he would have liked to bring into our discussion concerning the key issue of peace in the region, the Middle East Peace Process.

Firstly he stipulated that this conflict is characterised both by its gravity for the geopolitics of the region, but also by the urgency to resolve it. The multiplicity of regional crises has relegated the Israeli-Palestinian conflict to the rank of secondary crises, with the "status quo" being perceived by some as manageable. This is a mistake for two reasons: first, because the status quo is an illusion, since the situation continues to deteriorate on the ground, not least with the continuing expansion of illegal settlements; and therefore, the conflict remains a powerful ideological vector for radicals on both sides.

The second matter the former Prime Minister would like to share is that the international consensus on how to reach a solution in one of the oldest conflicts on earth has been known for a very long time: it is the two-state solution. This was also clearly expressed by the international conference in January this year in Paris in which more than 70 states and international organisations participated. President Trump seems to have an alternative solution. Unfortunately we don't yet know what he intends to propose and it is unlikely to lead to a resolution of the conflict.

The third message from the former Prime Minister of France is the need for the involvement of the international community. What is missing today is the political willingness of all actors to accompany the peace process and to ensure that the necessary guarantees are in place. This concerns the big powers as well as the regional entities. A promising step has been undertaken by the countries of the region in proposing the Arab initiative for peace.

Zooming out from the specific conflict and focusing on the main points that provided the basis for organising this conference, I would like to make the following remarks. **First**, coming from Europe, it is important to note that the continent and the EU in particular have not overcome their internal problems. We still have:

- A lingering economic malaise;
- A web of increasing inequalities that, despite not appearing on the front-page of our newspapers, still profoundly impacts our societies;
- Brexit and the rise of independence movements in some member states, high levels of disenchantment with the European project;
- The lack of substantive solidarity in the Union which can react and act collectively concerning today's complex challenges, such as dealing with the migration issue;
- A shifting internal political landscape characterised by many centrifugal forces, as well as by the rise of populism and the re-emergence of nationalism (Austria, Germany).

A **second** point is that, at the same time, the Middle East remains the region of intense instability and tumult.

- The continuing devastation of the war in Syria, and the unprecedented drama that it has caused;
- The ongoing fight against Daesh and the distorting, illiberal and horrifying view of Islam this represents;
- The intensification of regional patterns of enmity, based on religious divides;
- The instability in certain countries following the high hopes of the Arab Spring;

- Turkey's aspiration to being a more active regional player;
- The more energetic involvement of certain international players such as Russia in the geopolitics of the region;
- And, of course, the desperate plea of many of the region's citizens for more democracy, more freedom, more equality, more economic empowerment, and ultimately for better and safer lives.

The **third** and final point, that connects the discussions that took place throughout the conference:

- This dual set of challenges faced both by Europe and by the Middle East does not take place in a vacuum.
- As implied above, these challenges have to be dealt with by means of the involvement of international institutions.
- Mr. Trump's disdain for the international liberal system (and the values it represents) combined with the contempt of other international leaders, such as Mr. Putin or Mr. Erdogan, towards the rule of law, constitute a real threat for our globalising world.

Hence, the era we all live in is one requiring a muscular affirmation of our belief in solutions and agreements, yet the reality shows that the world (and by extension, both the Middle East and Europe) have to navigate through this new era with the sense of how achievable these collective solutions are and how durable these agreements are.

My hope is that this conference helped to enlighten us as to how this can be done better and in a more progressive fashion - it is after all our responsibility as progressives to reverse this course. Anything we can achieve we cannot achieve through isolationism or nationalism. A progressive agenda for the future has to recognise that. And progressive voices and forces should do more, should work even more passionately to make this their top priority.

I also hope that this conference did not represent an end in itself, but is rather the starting point of a much-needed process of reflection and dialogue, in which all participants will constructively engage with each other in order to foster that unique opportunity for change in which FEPS will remain engaged.

ROLES OF INTERNATIONAL INSTITUTIONS IN PROMOTING ECONOMIC AND SECURITY AGENDAS

DR. ROBY NATHANSON

DIRECTOR GENERAL, THE MACRO CENTER FOR POLITICAL ECONOMICS

Introduction

In the field of international relations, academic scholars divide institutions into three main levels of analysis: the local level, dominated by local establishments and associations; the national level, characterized by institutions that are present in various parts of the state or that are run by the government; and the international level, including institutions created by a treaty and present in two or more states.

International organizations institutionalize cooperation between states at the global level and aim to provide solutions for a coordination problem. Apart from their informational role, international institutions both enable credible commitments and coordinate state preferences and behaviour. There are competing explanations of why states decide to join international organizations given the fact that the ultimate sovereignty lies in the state and that the international context is one of anarchy.

Nevertheless, the origins of international institutions can be traced back to the 19th century, when European states needed cooper-

ation rather than competition. The reason why states choose to cooperate has contested viewpoints as many argue that states join intergovernmental organizations (IGOs) only if they have something to gain from them.

The concept of global governance can be traced back to a 1989 World Bank Report and is defined as a collective effort to address global challenges in a cooperative way. With cooperative and not hierarchical relations between the members, international organizations are able to provide larger groups of people and states with horizontal forms of regulation and policy development in various sectors like economics, politics, environment and security.

To promote global governance and the use of intergovernmental organizations, the institutions provide states with collective, inclusive and dynamic ways of cooperation.

International organizations have both a varied scope of action, from undertaking global health policy to inspecting the proliferation of weapons of mass destruction (WMDs), and diverse scales of organization, from the European Union to the International Monetary Fund (IMF). However, the international community is facing several regional and global challenges that the international arena has not been able to solve. This paper will examine two topics in particular: first, the role of international institutions in the development and economic growth of both Europe and the Middle East. Second, it will analyse the capacity of international institutions in promoting processes of peace management and conflict resolution.

The 21st century is described as the information era and international organizations are considered information clearing houses collecting data, conducting comparative studies and disseminating information. But for international institutions to be effective, the global and holistic vision of providing states with information and ways to solve coordination dilemmas is not enough, they require further practical cooperation. Determining the intersectionality of international and regional dynamics, the changes in the current and future role of international organizations and the tendency of the state to lean towards integration rather than isolation, will provide us with an understanding of the current role and impact of international organizations.

In light of the above, a number of important questions arise:

- Do states give enough power or authority to international institutions for them to be effective?
- How can international institutions be improved? Should intergovernmental organizations adopt new approaches with regard to the work they do?
- What is the alternative if states do not want to join or comply with their mandates? Is there any alternative?
- How do international institutions shape regional and local perspectives?
- What is the impact of the decisions made in the international arena on European-Israeli economic and security relations?

I. Economic growth, collaboration and development

The world economy is more interdependent than ever; developing countries are not well represented and their voices are often neglected in governance structures. Global economic governance as well as governance of the global commons requires decision-making at the global level and, for that, coherence and cooperation between states is fundamental. The governance target must be concrete in order to allow for compromise and flexibility. By bringing together states, IOs, multilateral public agencies, and civil society, the world economy is one of the main stages on which cooperative leadership, the relationship between government and the international economy, is developed. Globalization is defined by some as an aid for international economic development, as it increases global wealth and promises future trade negotiations between various countries and even entire regions. Some scholars argue that a more expanded and diverse market brings more competitiveness and therefore more prosperity to all.

Nevertheless, trade and finance are contentious factors; their effects are not straightforward and usually produce both winners and losers. Global economic governance faces problems such as inefficiency, lack of coherence and consistency. The lack of coherence is present due to the various approaches to trade and finance, such as liberalism, Marxism and mercantilism. It was not until after World War II that the United States led the creation of international trade regimes designed to facilitate cooperation in the world economy. Initially, it was created to rebuild Europe and to avoid another great depression. Three main institutions emerged from the Bretton Woods negotiations (1944): the International Monetary Fund (IMF) in charge of monetary cooperation, the World Bank (WB) responsible for development loans, and the General Agreement on Tariffs and Trade (GATT), permanently replaced by the World Trade Organization (WTO), which manages trade liberalizations. These intergovernmental organizations are present in the three main phases of trade, which are planning, trade policy development and policy implementation. Membership in these intergovernmental institutions is voluntary and broad; most UN member states are part of these three organizations.

The United Nations too has a special organ and a specific conference for the development of trade and finance. Economic development and growth is the main topic in the United Nations Economic and Social Council (ECOSOC) which organizes the Development Cooperation Forum (DCF) and provides analytical work for member states to encourage and promote economic policy development. The United Nations organ both encourages policy dialogues and makes recommendations on economic, social and environmental issues. UN ECOSOC works as a coordinating machine with specialized agencies, autonomous organizations and UN agencies. In addition to ECOSOC, the United Nations Conference on Trade and Development (UNCTD) allows its 193 member states, especially developing countries, to gather in a forum and cooperate in development areas such as trade, finance, transport and technology.

a) Regional level: a changing European Union

The emerging division of industrialized states into competing trade blocs created the presence of regional economic regimes. These economic regimes intended to reverse the general trend towards a global market. This division necessitated the creation of the European Union and Commission. The European Commission is in charge of negotiating with trade partners in behalf of the European Union and plays a prime role when it comes to trade because of its deep integration in global markets. The development of trade is an opportunity for economic growth; EU trade policy seeks to create growth and jobs by increasing the opportunities for trade and investment with the rest of the world. By working together, Europe has the heft to shape an open global trading system based on fair rules and to ensure that those rules are respected. Agreements and negotiations are put forward by international organizations such as the WTO with the Doha Development Agenda (2001). European states also have an optimal influence in the Organization for Economic Cooperation and Development (OECD), in charge of gathering information on a broad range of topics to help governments to foster prosperity and fight poverty through economic growth and financial stability.

In addition to the cooperation and presence in international economic organizations, the region comprises several specialized institutions which help the continent develop its own trade and finance. Institutions like the European Investment Bank (EIB), owned by EU member states and used to support European integration, and the European Bank for Reconstruction and Development (EBRD), an institution that uses investment to help build market economies. Nowadays, as the policies of the European Union are becoming more autarchic, experts fear the European Union is receding into protectionism. With Brexit and the increased influence of national economic policies over regional ones, European institutions face several challenges not present since the establishment of the Treaty of Rome which urged European member states to regard their economic policies as a matter of common concern.

b) On Regional level: a prosperous Middle East

Since the end of World War II, many attempts have been made to promote economic integration in the Middle East and North Africa (MENA) region. Under the assumption that regional economic integration provides member states with economic gains, increased collective welfare and the preservation of security and prevention of conflict, it is believed that a policy shift is needed to deploy its substantial human, natural, and financial assets more efficiently through adopting economic and social policies that lead to more rapid and inclusive economic growth in the region. Long-term regional integration is crucial for states in the region to reduce their economic losses incurred as a result of poor economic management and conflicts requiring massive military outlays. Thinking in particular of regional infrastructure projects in energy, water and transport, economies in the region are in the process of expansion in intra-regional and world-wide trade.

Although the Middle East has the lowest percentage of intra-region-

al trade (only 9% of exports were sold within the region, compared to almost 70% of intra-regional trade in Europe), the region has established numerous institutions and agreements to help build a more sustainable regional economy. The Agadir Agreement, put in place by the Council of Arab Economic Unity and the Greater Arab Free Trade Area (GAFTA) are examined as ongoing attempts to develop Arab economic integration. The regional liberalization process creating the Greater Arab Free Trade Agreement (GAFTA) in 2005 and the Agadir Agreement in 2004 for the establishment of a Free Trade Zone between the Arabic Mediterranean Nations represent a new hope that more effective regional integration will be developed in the next decade. The 2008 international financial crisis and the drop in oil prices are forcing oil-based economies to take economic diversification more seriously. The crisis of multilateralism in the World Trade Organization's (WTO) Doha Round and the global proliferation of free trade agreements should encourage MENA states to pursue regional trade agreements (RTAs) both within the region and with extra-regional partners.

Some argue that the institutional framework of economic integration in the region should be significantly bolstered. A meaningful dispute settlement system in the GAFTA would signal that the commitments undertaken are meaningful. MENA states should learn that they can litigate their economic differences without political reverberations and should expand the role of business and civil society in consideration and implementation of their policies.

II. Security and Cooperation

In the contemporary international system, international conflict management is the purview of the United Nations Security Council and the United Nations System.

The United Nations, as the international body in charge of maintaining peace, is able to broker and oversee agreements, offer economic aid and assistance, intervene militarily and call for legal conventions. To broker and oversee agreements, it can use either diplomacy and mediation or peacekeeping missions. To provide aid and assistance, it can offer food, weapons or strategic assistance. Regarding military intervention, peace enforcement missions can be approved. However, past experience shows that the effectiveness of such tasks may be limited, as in the cases of the United Nations Department of Peacekeeping Operations (DPKO) in Rwanda, Srebrenica and Darfur. These cases, among others, have led the international community to a constant debate about the limit of the tools the international community holds to solve conflict and security dilemmas.

a) Regional case: a confident European Union

The European Union promotes peace and acts to guarantee the security of its citizens and territory. Internal and external security is becoming ever more intertwined in the region; policymakers believe that the security of European states depends on peace beyond their borders. Commitments to mutual assistance include addressing challenges from both an internal and external perspective, such as terrorism, hybrid threats, cyber and energy security, organised crime and external border management. For instance, Common Security and Defence Policy (CSDP) missions and operations work alongside the European Border and Coast Guard and EU specialised agencies to enhance border protection and maritime security in order to save more lives, fight cross-border crime and disrupt smuggling networks. When it comes to collective defence, the North Atlantic Treaty Organization (NATO) remains the primary framework for most Member States. Most European states are committed to deepen cooperation with the North Atlantic Alliance in complementarity, synergy, and with full respect for the institutional framework of the two.

In addition to the EU and NATO, most European member states are

part of the Organization for Security and Cooperation in Europe (OSCE) which is an international regional institution that has a comprehensive approach to security, addressing a wide-range of security-related problems such as human trafficking, arms control and border management. The OSCE has maintained its relevance and unique place in the Euro-Atlantic and Eurasian security architecture due to its comprehensive approach as well as its inclusive membership. The concept of comprehensive security encompasses commitments and mechanisms related to the politico-military, economy and environment and human dimensions.

The EU still promotes a rules-based global order, having an interest in promoting agreed rules to provide global public goods and contribute to a sustainable world. With multilateralism as its key principle and the United Nations at its core, European states are guided by a strong sense of responsibility in regard to security and cooperation. This responsibility goes hand in hand with promoting external partnerships and reaching out to states, regional bodies and international organisations.

b) Regional case: a more stable Middle East?

Regional security consists of three major trends: conflict activity, military allocations and regional security-related cooperation. The Middle East, considered a very volatile region, has both external threats and internal security threats with international implications. The first pattern of security cooperation in the region was set up by the Arab League, which was designed as an institution which manages and resolves conflict between or among Arab states. The League was also created as an instrument of coordination of inter-Arab activity vis-à-vis common threats. The Arab League being the only security-related institution in the region, members of MENA decide to individually join international security arrangements such as NATO - joined by Turkey - and the OAU - joined by Egypt.

There is a significant relationship between regime stability and regional security in the Middle East. On an individual state basis, revolutionary political changes in the region affect their conflict behaviour and therefore their trust or mistrust in other neighbouring states. Political instability in the region not only increases the likelihood of conflict but also decreases the presence of regional intergovernmental institutions and their ability to solve problems of cooperation and security. While some structural enmities in the region appear on their way to resolution, others are as persistent as ever. The accumulation of weapons in the Middle East, as well as the presence and influence of outside military and economic powers in the region has made the Middle East, according to several studies, a more dangerous place. To date, none of the regional institutions established were capable of effectively resolving conflicts through peaceful means or instituting a system of collective security.

Conclusion

International organizations help states coordinate on superior equilibria and reduce transaction costs. By enabling its members to enforce norms, have a community representative, share and promote legitimacy and even launder dirty politics, these organizations are effective and powerful as long as states grant them the trust and the authority to be so. Both centralized and independent, the influence and capability of international organizations in Europe and the Middle East is being guestioned. In regard to the influence of intergovernmental organizations in terms of cooperation, security and economics, the world is seeing a decrease in the belief that international organizations are either necessary or effective. The reality is that many of these institutions deal with dilemmas and problems that are common to a majority of states in the world. To strengthen the governance of those global interactions, international institutions should rationalize the relationships among sovereign states, update and renew the existing

multilateral institutions and create an effective oversight body to combat the fragmented international system for a global order based on international law, which ensures human rights, sustainable development and lasting access to the global commons. This commitment translates into an aspiration to transform rather than to simply preserve the existing system. The EU should strive for a strong UN as the bedrock of the multilateral rules-based order, and develop globally coordinated responses with international and regional organisations, states and non-state actors.

KEYNOTE SPEECH

MASSIMO D'ALEMA FORMER PRIME MINISTER OF ITALY

In my introductory remarks I would like to illustrate the main foreign policy concerns and the most crucial choices made by the European Union vis-à-vis the Middle Eastern region, in order to compare them with the choices Israel is making and find major concurrences, where possible, and main disagreements.

We are living in a moment of confused and confrontational multilateralism, in which international institutions and multilateral agreements are facing growing difficulties. For the European Union, which considers multilateralism, the respect of the United Nations system, and international laws as the cornerstones of its activity on the global scene, this is a reason for apprehension.

On the one hand, there is President Trump's nationalism, which is calling into question fundamental international agreements, from the Paris Agreement to the Iran Nuclear Deal, from the transatlantic trade partnership to NAFTA, and has so far maintained an approach in the management of the North Korean crisis that many observers in the United States consider imprudent.

On the other hand, the weight of Russian nationalism and of Mr Putin's power politics is steadily growing. Moscow is again playing a significant role in this region, not least because of the mistakes made by the Western countries. The prevailing feeling in the European leadership is that of a growing concern and of a deep aversion towards these trends.

Never, since the end of the Cold War, have Europe's relations

with Russia been so strained. Never in the Western world has a wider disagreement between US interests and European ones been recorded.

Europe's priority in the so-called Greater Middle East is to re-create the conditions for peace and stability. The EU perceives chaos and conflicts in this region as a threat to its own security; a threat that the recurring Islamist terrorist attacks and the massive inflows of refugees, that have fed xenophobic and extremist sentiments in many European countries, are making increasingly tangible.

What is to be done to produce the conditions for peace and stability? First and foremost it is necessary to defeat, once and for all, Daesh, and the Wahhabi and Salafi fundamentalism, from which the terrorist attacks in Europe also stem.

Here I see a possible reason for disagreement with the current Israeli leadership. Europe, in fact, does not perceive Iran to be as great a threat as Israel does. Rather it deems Teheran as a possible partner to contain the Wahhabi Sunni menace and considers the Nuclear Deal with Iran and the UN Security Council resolution 2231 as key elements of the non-proliferation regime and a crucial factor in regional security.

Europe aims to strengthen the Iraqi institutions and for the Iraqi authorities to regain control over the national territory. It aims for the isolation and defeat of fundamentalist extremism in Syria and negotiations leading to a national agreement between the non-fundamentalist opposition and the government in order to proceed with a transition process.

Such an agreement is possible only if supported by a wide international endorsement, including not only the United States and the moderate Sunni states, but also Russia and Iran. Europe aims for a solution of the Kurdish question that, while guaranteeing the Kurds' autonomy and rights, would not call into question national borders. This also represents an important concurrence between Iran and Turkey, which might significantly change the regional balance.

Europe also considers essential a peaceful and negotiated solution of the conflict in Yemen. The US Administration's decision to conclude a huge arms deal with Saudi Arabia has raised deep concerns in the European Union, which has also widely criticised the massive violation of human rights and the killing of civilians in Yemen by the Saudis and their allies.

I have hereby summed up not my personal opinions, but the European Union's official positions. Eventual agreements or disagreements, in some cases deep disagreements, between the European positions and those of the Trump Administration are plain to all. So too are often the points of convergence between the US positions and those of the current Israeli government.

Against this backdrop, I would like to conclude with few brief reflections about the Israeli-Palestinian conflict and the Palestinian question. Once again I am not going to express personal opinions, but I will only quote the EU's official statements.

The EU considers the peaceful solution of the Palestinian questions and the birth of a Palestinian state, within secure and recognised borders based on the withdrawal from the territories occupied in 1967, as an essential part of the process of stabilisation and reconciliation of the whole region. This is a process that, as I mentioned earlier, is vitally important for the Union.

The European Union has repeatedly expressed its deep concerns in respect to the Israeli settlement expansion in East Jerusalem and in the West Bank, including the forced transfers of Bedouin communities. Let me also recall the Catholic Church's statement on the settlements in the Arab part of Jerusalem, expressing concern about the future status of the city. All settlement activities are illegal under international law and they undermine the possibility of reaching a two-state solution and finally achieving a lasting peace.

As for the agreement recently signed by Fatah and Hamas, the European Union considers it a genuine and positive step forward. However, Europe still firmly condemns Hamas's positions vis-à-vis Israel. We know that if this does not radically change, Hamas can never be part of negotiations that can only be entrusted to the Palestinian Authority. This reconciliation process certainly has positive aspects, but it also raises some concerns. In any case I quote the European HR statement "The EU is ready to provide full support to the efforts to reunite Gaza and the West Bank under one single and legitimate Palestinian Authority." This is critical for facing the humanitarian crisis in Gaza and reaching a negotiated two-state solution.

To conclude my remarks, I would like to emphasise that the European anxieties are mainly related to the fact that, through its settlement policy and central decisions, such as the process of annexation of Jerusalem, the current Israeli leadership will eventually dismiss any possibility of creating a Palestinian state. This will produce negative consequences for the security and future of Israel itself. It will pave the way for that sort of South African scenario that no reasonable Israeli citizen would wish for and that will feed extremist sentiments among Palestinians and in the whole Arab world. Such a scenario will also stand in contradiction to the very idea of a Jewish state.

I know that this situation also concerns many Israeli citizens, intellectuals and political leaders. Some think that in the current situation, in the face of the dramatic conflicts that plague the Middle East, the Palestinian issue has become secondary and no longer visible for public opinion. That is what follows upon Netanyahu's conviction that Israel has a free hand and can proceed unilaterally while aggravating the sense of humiliation and frustration of the Palestinians. I believe, many of us believe, it is a mistake, a short term vision. The price to be paid later could be high.

For this reason, the collaboration between the European and Israeli progressive forces is essential not only to overcome differences and misunderstanding, but to promote the prospects of peace and cooperation.

KEYNOTE SPEECH

LT. GEN (RET.) MOSHE "BOGIE" YAALON FORMER DEFENCE MINISTER OF ISRAEL

The main strategic challenge for the State of Israel is the reluctance of too many parties in the Middle East to recognize Israel's right to exist as a Jewish state.

The most prominent example in this context is Iran, which shares no border with Israel, and with which we have no territorial dispute, yet it calls for wiping Israel off the map of the earth.

The Israeli-Palestinian conflict is more complicated. Still, the vast majority in Israel does not want a bi-national state, nor does Israel seek to rule the Palestinians, but we also do not see a chance for a final settlement in the near future.

The core of the conflict is not the "occupation" since 1967, but since 1948 – in other words, our very existence, and Mahmud Abbas's attempt to revise the Balfour declaration demonstrates this.

Nowadays, we must find a way to manage the situation, for the benefit of the two peoples. It is necessary to improve the economy, infrastructure and security in the Palestinian Authority as well as to deal with the incitement rife in its education system, so that in the future we will have a chance to reach a final settlement.

The Region:

The main characteristic of the Middle East today is instability; the only constant is change. Those who still believe that the Israeli-

Palestinian conflict is the main cause for the regional instability are mistaken, since there is no connection whatsoever between this conflict and the ongoing civil war in Syria, the situation in Iraq, Libya, Yemen, etc.

The main struggle in the region is between three radical Islamic movements striving for regional hegemony:

1. Iran - striving to export the Islamic revolution

For Israel and the Sunni Arab regimes, Iran is the main threat and the main generator and instigator of instability in the Middle East. Due to Western weakness, the Iranian regime enjoys hegemony and influence outside of Iran: in Irag through a Shiite government, in Lebanon through Hezbollah as its main strategic proxy against Israel, in Yemen through the Houthis, and in Syria. Regarding the nuclear deal, although it is a very bad one. I do not recommend opening the deal at the moment. Nevertheless, there are enough reasons to impose sanctions on the Iranian regime - due to its violations of the Security Council's resolutions on arms proliferation, support for terror organizations, the missile project, attempts to undermine the Sunni Arab regimes in the area, and severe violation of human rights. This can and should be done without abrogating the deal. In the long run, a situation in which Iran attains nuclear capabilities should and must be stopped.

2. The Sunni Jihadists (Wahhabis/Salafists) in the Middle East

Even though ISIS and similar elements are going to be defeated on the ground by the coalitions fighting against them, they will not disappear and will keep challenging the area in Sinai, Libya, Syria, etc. Furthermore, they will continue with their terror activity all over the world, especially in Europe. This is not a major threat for Israel, but from time to time we are also challenged by these elements which operate in Sinai and the Gaza Strip.

3. Turkey

This is the most problematic issue, since Turkey is also a member of NATO. Turkey bought oil from ISIS and it allows Jihadists from all over the world to pass through its territory on their way to join ISIS in Syria and Iraq, and upon their return to Europe as well-experienced terrorists. Another problem is the issue of illegal immigration. Now, there is an understanding, but for a long time Erdogan has facilitated and even encouraged illegal migrants to come to Turkey and to enter Europe from there. Only 30% of migrants are refugees, the rest are Muslims who fit in with Erdogan's vision to Islamize Europe and establish Turkey as a neo-Ottoman empire. In our region, he supports Hamas over Fatah and the Muslim Brothers over President El-Sisi. I believe he should be confronted and put under political and economic pressure for operating against what we believe are Western interests.

There is also good news: Israel and the Sunni Arab regimes are currently "in the same boat". Talks about the Israeli-Arab conflict have become irrelevant in the meantime, and have been replaced by ad-hoc interests such as perceiving Iran as the main threat to the region, alongside the Sunni-Jihadi threats and Erdogan's neo-Ottoman aspirations.

The instability in the region creates new challenges for us. The only way to meet these challenges is to get rid of old assumptions and to think "out of the box" with regards to our need to find "solutions" and to do so "now". The first step is to realize that despite our motivation, we cannot solve everything. Therefore, we need to replace the "solutionism" and "nowism" approaches with more pragmatic and creative ones, in order to find the way to manage in this chaotic environment based on shared interests and creative thinking.

THE CURRENT ROLE OF THE EUROPEAN UNION IN THE ISRAELI-PALESTINE CONFLICT

DR. ODED ERAN

SENIOR RESEARCH FELLOW, THE INSTITUTE FOR NATIONAL SECURITY STUDIES

One of the most difficult problems in the negotiation process between Israel and the Palestinians relates specifically to the nature of the negotiations and not to the negotiations' content. Since the initiation of the Oslo process in 1992, the process has been based on a binary paradigm - simultaneous negotiations on all core issues including Jerusalem, borders and refugees. The negotiators' motto in every round of the talks was "nothing is agreed until everything is agreed".

The sad outcome is known. Not only were the two sides left without an agreement, but on the main issues the gaps between the two sides have been deepening. In fact, both sides, for internal political reasons, prefer the "comfort zone" where they are now – a state of absence of negotiations, when each side accuses the other of causing the stagnation. Under those circumstances, and because it is clear that in the absence of any political process, there is a real danger of an outbreak of hostilities, it would be better and preferable to try a new paradigm. Unlike the past, both sides could agree to negotiate on various issues and reach agreements even if on other issues no agreement has been reached. The goal of the whole process remains the same - the establishment of a Palestinian State alongside the State of Israel. But both sides should agree to attain this gradually, in stages, and through a series of partial agreements that could be implemented even if no agreement has been reached on the question of Jerusalem, for example.

A series of such issues in the economic sphere is waiting for a paradigmatic change. One of them - water - is a top priority and of areat urgency. After several years of stagnation, and in the absence of regional and bilateral cooperation, Israel, Jordan and the Palestinian Authority face a serious crisis that could lead to deterioration in the relative calm and to severe health and economic problems. While Israel is in a relatively good position and is prepared to cope with the crisis, its two neighbors to the east are far from being able to give even partial answers to a situation that might arise in the coming months. The solutions to the water shortage are known and lie in the fields of desalination, recycling and loss prevention, whether due to theft, defective plumbing or any other reason. However, the main component of desalination requires cooperation and agreement between Jordan, the Palestinian Authority and Israel. Transportation of desalinated water requires political, technological and financial agreements. Unfortunately, all three are far from being able to conduct a strategic dialogue on any issue even on an existential issue like water. The willingness of all sides to separate the solution of the water issue and the three issues at the center of the Israeli-Palestinian conflict would initiate a process that could prevent a severe water crisis and create a dynamic with positive implications for other issues.

The European Union has a central and vital role to play in such a process. The EU began as an economic organization, in its essence, and in its early years operated almost exclusively on economic matters. Its main contribution to peace and security in the Middle East is economic, not only in the area of financial aid, but also in the creation of frameworks for regional cooperation in the economic sphere. There are a variety of reasons that the EU does not act this way. The main reason is that in Europe, as well as in other parties involved in the resolution of the conflict, the shift from the approach that guided all past attempts to a new and different approach, such as the one proposed here,



has not yet been integrated. In a situation in which the United States has been undermined by the current president as an honest mediator, Europe could be the leader of a revolutionary thought process.

The second reason for European passivity lies in its preoccupation with its own internal problems, some of which are destabilizing the very existence of the Union. As a result, the EU is missing opportunities to serve as a determining factor in the Middle East, which it could do even if it does not change its perception of the proper way to manage the Israeli-Palestinian conflict. As with the issue of water, the issue of natural gas could also play a political-economic role but this, for reasons that are not understood, the EU has not seen as a challenge to be met.

Some countries located in the eastern hemisphere of the Mediterranean have deposits of natural gas in guantities that could dramatically alter their economic situation. The ability of these countries, Lebanon, Cyprus, Israel, Egypt and the Palestinian Authority (the natural gas off the coast of Gaza) to transport natural gas to the regional markets, particularly Turkey and Europe, depends on their ability to reach cooperation on transportation issues. Any alternative, such as fluid-conveying pipes or transporting tankers, requires huge investments. The estimated quantities of exports do not justify duplication of investments, but in the current state of diplomatic relations between the countries of the region they will not reach the necessary cooperation. The EU could have created a "political umbrella" that would allow for indirect discussions aimed at addressing issues of natural gas exploitation and transportation without resolving the political issues between the countries of the region. The economic dividends that would accrue to all involved are clear, and there is also the chance that political dividends that would emerge as a result of the willingness of the parties to exploit the European channel, could lead to resolving other issues.

The American and European policy of reducing the level of political investment in the region, each for their own reasons, creates a certain vacuum in the sphere of political-economic involvement that accompanied the Middle East in the post-war era. Russia and China are trying to penetrate this space, each with interests some of which are identical and partly characterized by their different focuses.

Russia is largely returning to the pattern of action of the Soviet Union in the Middle East. The new player in the region is China, whose conduct in the Middle East is dictated by the desire to turn China into an international political, economic and military power. In East Asia, China operates in these three components of power with great intensity, while in the more distant circles, it operates primarily on the economic level, while leveraging it to the extent possible for political needs. Economic activity in the Middle East is integrated into the strategy of increasing China's economic competitiveness in the world's leading economies, among other things, by improving the efficiency of Chinese exports. The Middle East is an essential part of the Chinese maritime transport route and hence the importance of the Chinese peat in the region.

The second Chinese interest in the region and its stability is related to the main source of energy that drives the production lines in China. The Chinese interests and the strategy for achieving them are accompanied by an unprecedented financing capability. This enables them to enter into infrastructure projects and acquire knowledge and assets that the Chinese leadership seems to be striving to realize as part of the national strategy. Investments in areas that require regional observation, such as increasing water supply or utilizing natural gas, can be integrated into China's strategy and financial capabilities.

These are aspects that both Europe and Israel should consider, and they highlight the serious lack of strategic dialogue between them.

EUROPE AS A FORMIDABLE POWER IN THE MIDDLE EAST

AMB. DR. EMANUELE GIAUFRET

HEAD OF THE DELEGATION OF THE EUROPEAN UNION TO THE STATE OF ISRAEL

The Europe Union rose from the ashes of two world wars and was shaped by the hands and the iron will of those who had returned from the battlefields and the concentration camps only a few years earlier. It was this generation of our fathers and grandfathers who turned the cry "never again war" into an ambitious political project that changed the life of Europeans from that day onwards.

The unity of Europe is not a bureaucratic model. It is a set of common values and democratic standards. This is the true foundation of our unity. Only a united Europe can be a sovereign Europe in relation to the rest of the world. And only a sovereign Europe can guarantee independence for its nations and security for its citizens.

The UK decision to leave the Union, the refugee crisis, and a spate of terror attacks has in the past years tested European unity and solidarity. But today there are signs that things are slowly starting to change and that cautious optimism is replacing "gloom and doom".

In spite of our challenges, Europe is and will remain a formidable power for the good in global affairs. Indeed this is also true in our neighbouring Middle East region. Drawing on the EU's Common Foreign and Security Policy, the Global Strategy launched in June 2016 presents an ambitious vision for the EU's foreign and security policy to tackle the many international challenges we face - from migration and terrorism to a global economic slow-down.

The relations between the European Union and Israel remain solid. We are friends who share the same values, culture and at times painful history. Europe is strongly committed to the fight against anti-Semitism and to peace and stability in the Middle East. And we are also the kind of friends who can handle our differences and disagreements in a productive and respectful manner.

The Arab Spring did not bring about the changes in the region that both Israel and Europe would like to see. Instead the Arab Spring has been replaced by armed conflicts and repercussions like migration and terrorism that can be felt in places far away from the region. It is my strong belief that Israel and Europe – because we share the same values – would like to see the same resolutions to these conflicts and repercussions, but also that we sometimes differ in our approaches as to how to achieve these resolutions.

One example is Syria, where we all would like to see a peaceful resolution very soon. EU's approach is to stay engaged in the diplomatic efforts – however gloomy the prospects might seem from time to time. And we are also engaged as a "soft-power superpower" by providing humanitarian aid to the many refugees from Syria scattered in the region. The EU has spent more than 9 billion Euros on Syria-related humanitarian aid. Without this aid, countries like Lebanon and Jordan might be on the verge of breakdown, which would seriously threaten the security of Israel.

Another example is Iran. The EU facilitated the successful negotiation of the JCPOA, which has at least postponed, if not ended the Iranian ambitions of creating a nuclear programme. This doesn't mean that we do not share Israel's concern regarding Iran's regional involvement, but we do believe that the security of Israel and the rest of the world are in a much better place than without the JCPOA.

I do not need to explain Israel's approach to Syria and Iran, but I think it is evident that in general we share the same goals, but have different approaches for a number of reasons - geography, capabilities, and history being some of them.

This conference aims at looking ahead. My hope for the future would be to see a more deep and intense dialogue on regional issues between Israel and EU, but also a greater understanding and appreciation for each other's concerns and contributions. I will certainly do my best to promote this during my tenure as EU Ambassador to Israel.

DIFFERENTIATION, ALLIANCES, SECURITY AND BORDERS

DR. ALFRED GUSENBAUER

FORMER CHANCELLOR OF AUSTRIA AND PRESIDENT OF THE KARL RENNER INSTITUTE

Nowadays, Europe is experiencing an atmosphere of depression. The trend of differentiation that is taking place is a matter of academic and political debate. I try to think of Europe and the world as a laboratory in which experiments are made, problems are discovered, and solutions must be considered. Nevertheless, I am always sceptical about final or absolute solutions. No matter how we understand the solutions or what we do about them, they will always remain intermediate solutions relevant only until a new problem arises that requires an alternative solution.

If we examine the situation in Europe after the great economic crisis of 2007-2008, although the situation is not paradise, growth in Europe returned, unemployment dropped in most countries and the banks were saved. Of course, there are also drawbacks, such as the rise of right-wing extremist movements, the refugee crisis, and more. But, in general, I am pleased with the way Europe survived, although it did so in a different way from what many had expected.

In the institutional context, the European Commission worked as the main force in Europe's economic rescue from the crisis and the second key institution, the European Central Bank, has become as important as the Federal Reserve Bank. Eventually, during this period, integration in Europe took place through the central institutions, but it did not conform to public opinion. This is one reason many are angry about what is happening in Spain, Scotland and elsewhere where there are groups with similar ambitions.

There are many examples of areas where residents supposedly would aspire to separate on the basis of different identities. South Tyrol is an autonomous province in northern Italy, inhabited by Austrian speakers, where people are happy and it is one of the most developed and richest areas in Italy. After decades of Basque terrorism, the Basque Autonomous Community ranks first in Spain in terms of per capita income. Innovative and creative solutions must be developed that will enable people to preserve their identity and economic situation while maintaining the integrity of the country.

In the security context, the security policy of Europe from the 1960s to the 1980s is no longer valid, and preparations must be made for different scenarios. After World War II, there was a period of Cold War followed by peaceful coexistence in three dimensions: security and borders, economics, and political and human rights. We were far from living in peace with the countries of Eastern Europe and the Soviet Union, but we still managed to preserve the interests of Europe, which is not the case in the Middle East.

Iraq, for example, has a serious security vacuum that is worse than the situation that existed before the West intervened. The naive approach of solving issues by democratization has not worked and currently there are strong external forces in constant conflict. Regional powers, such as Turkey, Iran, Egypt, Saudi Arabia and Israel, create rivalries and alliances between them, above and below the surface, according to common or opposing interests.

Of course, there are also foreign forces, namely the US, Russia, the European Union, and China, each with a different interest

in involvement in the Middle East. I do not know what President Trump's ideas about the Middle East are, but I assume that he prefers a strong coalition of moderate states with Israel and the Palestinian Authority, while confronting Iran and its allies. However, in order for this to work, there is a need for progress in Israeli-Palestinian relations. It may significantly improve Israel's image, but this is not the main reason. This is of supreme interest for Israel and an American interest that wants to see improvement.

In such a situation, Europe's role will become more significant. For example, with the American withdrawal from Syria and the radicalization in Iran, Europe can play an important role as it did with the nuclear deal. Europe cannot afford to abandon the arena to Russia and China, which can precipitate conflict.

Israel has come closer not only to India and China, but also to Russia, and it is a positive thing all in all, because the more it has good relations with strong players with interests in the region, the better. However, it needs to make wise political decisions. Kurdistan, for example, was in a state of momentum and enjoyed enormous international support and even reached achievements, until the referendum on independence, which, since then, has only caused deterioration and loss of territories that were in their possession. The approach that Israel must take in order to ensure its future as a strong and prosperous state is a minimalist and more modest approach.

THOUGHTS ON POPULISM

DR. TAL SADEH

SENIOR LECTURER, THE DEPARTMENT OF POLITICAL SCIENCE, TEL AVIV UNIVERSITY

Populism is a technique for political mobilization. It is characterized by being anti-establishment, while the list of particular grievances may change depending on political context. Populism is based on simple messages that are easy to understand, with little regard for the truth. Half-truths and outright lies are circulated regarding a complex reality, ensuring that the establishment's response is unavoidably complicated and hard to understand. Populist messages are especially potent if they succeed in arousing strong emotions (often some project fear). This makes populists beneficiaries of social media, which is especially suited to brief messages.

Populism as a technique can be applied to serve any ideology. While in Western democracies it is currently mostly observed on the right-wing fringe, it has also been employed by parties with a left-wing ideology, for example in Latin-America. Even Centrist parties can use populist techniques, for example in protecting taxpayer's money from a supposedly corrupt government. That being said, it is not common to observe populism in the service of a fundamentalist agenda, as religious political movements are based on vast bodies of literature and scholarship, and institutionalized leadership (see below). Ultimately, populists would struggle to compose a simpler message than the fundamentalists': the ubiquity and omnipotence of God.

Importantly, populists strive to undo existing political institutions,

to sabotage the rules of the game. Because of this, they are unlikely to make the compromises that are necessary to participate in coalition governments in parliamentary democracies. In such systems they are likely to remain in opposition, even if they are electorally successful. In contrast, presidential democracies or first-past-the-post electoral systems, not to mention authoritarian regimes, enable the populists to govern with less compromise, if they are able to achieve the necessary majority.

Centring a populist party on a single figurehead with excellent communication skills, tends to simplify decision-making in the party, minimize conflicting messages from different party officials, and increases its electoral appeal. Since the information war and the personality of the leader are crucial to the success of populist parties, and since having a workable program to carry out in government is not, populists make little preparation for their time in office. Unlike revolutionary political movements, they do not have clear ideas about the institutions they would like to establish in place of those to be demolished. They can count on few serious experts, since those are suspected of belonging to the hated establishment. The result is not merely a somewhat chaotic transition when populists win power, but general state dysfunction, to the detriment of the aggregate good.

Right-wing populism in Europe and Israel

For the purposes of the conference, and given that in Western democracies populist techniques have recently been observed mostly on the political right, the following discussion characterizes Israeli right-wing populism, and compares it with European populism.

One major difference is that Israeli society has been shaped by large immigration waves, much larger in relative terms than the immigration to Europe since World War II. Crucially, unlike Europe, where right-wing populists typically portray the immigrants as a menace, the immigrants to Israel are revered as embodying the Zionist vision. Indeed promoting immigration is inherent in the Jewish Israeli consensus. Hence Israeli right-wing populists are not anti-immigrant. Israeli right-wing populists are certainly hostile to illegal immigration, but since the establishment is not promoting such immigration, from a populist perspective there is no point in spending energy in that direction. The diverse ethnic mix of Israeli society also makes racism an unlikely message for rightwing populists. Economic conditions and corruption are recurring themes in European populist communication. This is less so in the case of Israel, as the vast majority of the public relates to such issues as of secondary importance.

Overwhelmingly, security issues preoccupy the Israel public, and offer wide scope for right-wing populism. Typically, Israeli populists bemoan the restrictions that the establishment allegedly places on the military, preventing it from using its full force in protecting Israel. For them, Arabs of all stripes are perceived as the menace, potential terrorists and a fifth column. Such populist messages have been convenient for many immigrants as a quick route to Israelization, a short-cut from the difficult and long process of cultural assimilation. Fear of Arabs also distracts attention from differences among Israeli Jews of different origins, a useful "other" to bolster Israeli collective identity.











THE STATE OF EUROPEAN INTEGRATION

PROF. ANDRÉ W.M. GERRITS PROFESSOR OF INTERNATIONAL POLITICS, LEIDEN UNIVERSITY; FEPS SCIENTIFIC COUNCIL

1. The Internal Condition of the EU

The European Union has been navigating between crises and challenges for more than ten years now. Scarred and battered (Brexit), it has survived. Europe has reached quieter times again, and the good news is that the EU still exists and the crisis does not seem to have been wasted. Europe learned from its recent predicaments – or so it seems.

The current state of European integration is paradoxical: never before has Europe been more integrated and never before has it been more divided. The major reason is its rapidly increased level of politicization. Integration is more controversial, more divisive, more politicized than ever,¹ a situation which largely results from the rise of identity policies, now increasingly combined with security issues (physical and cultural). This heightened level of politicization is not necessarily bad. It makes integration by stealth a lot more difficult (although not impossible, as the trajectory to the "banking union" shows) and gives European integration the political dimension which it deserves.

Europe is divided:

• Between elites and the public - European integration has always been an interesting sociological phenomenon, with a clear

^{1.} Explored by Liesbet Hooghe and Gary Marks, 'A postfunctionalist theory of European integration: From permissive consensus to constraining dissensus', British Journal of Political Science, 39, 2008, pp. 1-23.

divide between those who feel that they have benefited from integration and those who do not recognize this, often divided along the lines of income and education.

- Within the public between more or less liberal, more or less open-minded groups and individuals;
- And among elites, along similar lines and particularly regarding the future path of integration.

Conclusions to be drawn from this level of disunity:

The many lines of division and the diversity of ideas, go beyond simple binaries:

- North vs. South / West vs. East I agree with Ivan Krastev,² that there is not so much a "crisis of solidarity" but a "clash of solidarities" in Europe, between and within regions, countries, and societies.
- More vs. less: not all who feel they have benefitted from integration, and who deeply support cooperation in Europe, including the author of these lines, are necessarily in favour of transferring more powers to Europe.
- A Europe of various speeds / concentric circles provides only partial answers. We need to be more imaginative, more flexible, and more tailor-made.

2. External and Security Policies

General comment:

^{2.} After Europe. Philadelphia: University of Pennsylvania Press, 2017, p.43.

Europe's ideas on foreign and security policies have changed remarkably over the last decade, and for the better. Based on real world developments and a dawning realization of its own limited capabilities, the EU's "new realism" is reflected in its Global Strategy for the EU's Foreign and Security Policy (June 2016):

- From a more normative / transformative to a more realistic, pragmatic approach (coming under the somewhat awkward heading of "principled pragmatism"), which is a successful attempt –at least on paper to bridge the gap between rhetoric / expectations and capabilities, but also between perception (by others) and self-perception of the EU.
- It puts security first, and it explicitly links external security with the security of its own citizens...as every state should do.
- It tries to balance interests and principles, instead of arguing, as the EU has stubbornly done, that they are essentially identical – i.e., the traditional, largely obsolete narrative of a normative or soft power.

3. The European Neighbourhood

This is largely in line with the more pragmatic foreign and security strategy in general, inspired by –again- real world change and the obvious limits on EU capability.

- The key phrase is no longer transformation but stability, and resilience (especially in the MENA area)
- The EU seems to have accepted its relatively limited capabilities to initiate and realize meaningful political and socioeconomic change in the larger Middle East but also in the eastern part of Europe. The EU's Neighbourhood Policy has largely failed ("creating a ring of stability around Europe") – mainly due to

developments that Europe was unable to influence, due to its limited political, financial and military means, but also due to ill-considered features of the neighbourhood policy.

The results are that Eastern Europe and the MENA region are deeply fractured, and that the strategic interests of many of the ruling elites in Europe's neighbourhood do not necessarily coincide with those of Europe (as the 2015 ENP Review put it: "not all partners aspire to EU rules and standards..."³) – it is a lesson that the EU could have learned a long time ago.

What is needed is more differentiation, transactional-type relations between neighbouring countries, which start not from the imagined attractiveness of the EU, not from overall partnerships (a largely rhetorical instrument, without much distinguishing relevance), but from a realistic interpretation of EU interests and shared interests, wherever and whenever they can be identified.

4. Relations with Russia

The most important (traditional) security issue is the Ukrainian crisis and the relationship with Russia. It impacts on the future of:

- A. The security order in Europe
- B. EU-US relations
- C. Unity / division within the EU

Some observations on the nature of Europe's relationship with Russia:

1. Who do we confront: Russia or Russia's current leadership?

^{3.} Review of the European Neighbourhood Policy, Brussels, November 18, 2015, p. 2.

Many hope it is the latter, but I believe it is realistic to argue that it is the former.

- 2. This follows from the nature of our conflict with Russia. Our issues with the Russian Federation are not so much of a normative nature (as many observers in Europe have preferred to believe for quite some time), but they are of a strategic nature. They concern influence in the lands-in-between.
- 3. And that is why a more beneficial mutual relationship between Russia and the EU is not impossible. In many respects, Russian-EU or Russian-European relations present an opposite image of Russia's relations with its strategic friends, like China or India: there may be a low level of political confidence between Moscow and Brussels, but there is still a high level and a huge variety of economic and societal interaction.

Three issues dominate the EU-Russia relationship: energy, cyber war and political intervention, and Ukraine.

Ukraine:

- The European Union's strategy in the Ukrainian crisis is as is often the case in crisis situations - mixed and ambiguous. And this is inevitable, given the major aims of the EU: to reverse Russia's intervention, without escalating the conflict with Russia.
- 2. The EU as an institution is hardly involved in addressing the Ukrainian crisis, which is being undertaken by individual European countries. The actual negotiations (the Minsk agreements; the Normandy format) are done by individual member states (Germany, France); the EU remains in the background (the high representative Federica Mogherini more so than the president Donald Tusk). But the EU was able to agree on a

sanctions regime (initiated by the United States), and for the first time in its history, it formed a unified front against Russia. The level of unity was unprecedented, and despite serious cracks and fissures, it still holds.

3. About the future of sanctions: the sanctions may have had a moderate economic impact on Russia but did not generate politically relevant consequences. The costs imposed on Russia were too marginal; Russia could easily afford non-compliance. Once sanctions are in place, they become a policy instrument, no longer a policy goal. The EU has manoeuvred itself into a tupik, a dead-end street: lifting the sanctions would imply loss of faith, keeping the sanctions becomes increasingly difficult (internally) and lacks effect (externally).

What EH Carr wrote about Germany during the 1930s in his The Twenty Years' Crisis, 1919-1939 seems to at least partially apply to Russia in the 2000s: there can be no stability (Carr: peace) in Europe unless Russia (Carr: Germany) can find a secure place within it.

A MORE CONFIDENT EUROPEAN UNION: MANAGING SECURITY COOPERATION IN A NEW GEOPOLITICAL ENVIRONMENT

DR. ERNST STETTER

SECRETARY GENERAL, FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

Building on the discussions of the first two sessions of the conference that focused more on the political and economic sectors, the third session shifted the spotlight to the security domain, mainly through an EU-centred perspective.

I think the title of the session reveals a lot:

"A more confident European Union: managing security cooperation in a new geopolitical environment"

Europe is going through a lingering multi-layered crisis, but it is also trying to move forward, advance its integration and evolve into a more interconnected, coherent and ultimately united Union.

This of course has not been a linear process. Instead it is one marked with multiple ups and downs and with a long list of painful occasions where Europe has not been able to pull its international weight and decide on a common path of action.

What is more, as the financial crisis and the migration crises have exposed, many challenges exist in finding substantive solidarity

and coherence within the EU, hampering the Union's capacity to act confidently with one voice.

Nonetheless, despite these challenges, one area where things seem to be moving concretely both fast and forward is the issue of security and defence.

An area long considered a taboo for European integration, being only within the remit of Member States, we have seen over the last couple of years a proliferation of initiatives and concrete measures taken so as to enhance the capacity of the Union to act in a confident and coherent way in this policy domain.

The progress achieved in the last two years alone is often considered to be superior to the progress achieved in all the previous decades of the Union's existence, combined.

This development has been based on a growing realisation on the part of Europe of how dire the need is for the Union to take on more responsibility. This involves, not only providing better security for our own citizens, but also continuing to uphold international law, peace, and openness, while rejecting isolationism or nationalism, in our world that is undergoing dramatic geopolitical changes.

For this reason under the stewardship of High Representative/ Vice-President Federica Mogherini, we have seen the European Commission accompanying and supporting the determination of Member States in pushing forward this agenda.

Undoubtedly, one of the landmarks in this process has been the release of the EU's Global Strategy (EUGS) document late in June last year, a document that I believe was urgently needed and which provides real strategic guidance for the Union on how to steer through the murky waters of today and tomorrow.

Released some days after the Brexit vote, the EUGS provided a breath of fresh air and a much needed sense of coherence and direction to the Union to better utilise all the tools it has at its disposal - from defence instruments to development and aid policy, and from trade negotiations to cultural diplomacy.

Tightly intertwined with this release, the EU has also stepped up its efforts towards a stronger joint security and defence policy, so as to be more and more effective as a security provider within and beyond our borders.

Very briefly: these efforts have moved in 3 key directions:

- First towards investing more resources in this policy sector;
- Second, towards the advancement of a European defence union and towards building stronger collaboration between EU member states in this domain;
- Third, towards promoting a closer cooperation with NATO.

As indicated above, progress in any one of these items is neither irreversible, nor a given.

But it is <u>critical</u> if the EU is to play its role more productively on the international level, in order to more effectively deal with international terrorism, with the Trumps, Putins, Ergodans, and Kim Jung Uns of the world.

And, of course, in order to act as a more credible and effective factor and actor in the Middle East positive game changers are urgently needed.

This was an incredibly rich and complex tableau of issues to be discussed - EU security integration, terrorism and regional

developments, Trump, Russia, the Middle East, and so on - and for this, I am glad we were joined by an excellent panel which helped us understand and unpack some of the complexities involved in this process.

NOW IS THE TIME TO UPGRADE TIES WITH EUROPE

MK ISAAC HERZOG

KNESSET OPPOSITION LEADER, THE LABOUR PARTY

From an op-ed written for The Jerusalem Post on October 11, 2017.

As Israelis we often suffer from a love-hate relationship with Europe. Our democratic political system has absorbed the best of European values and culture and we enjoy economic, scientific and strategic cooperation. But always etched in our memory is the dark history of the Holocaust and of anti-Semitic persecution, and we are frustrated when Europeans do not recognize our legitimate security interests, and when they side with the Palestinians against us.

But right now, a unique window of opportunity has opened for Israel to upgrade our relationship with Europe, on a strategic level that will enhance our security and economy for generations to come.

Unfortunately, Prime Minister Netanyahu risks missing this opportunity with Europe. Plans to upgrade EU-Israel relations have been frozen since Netanyahu came into office as prime minister in 2009, due to the ongoing erosion in Europe's perception of his commitment to a two-state solution.

For sure, much of the blame for the ongoing deadlock between us

and the Palestinians lies with Palestinian rejectionism, stubbornness, internal fragmentation and their continuing violence and incitement. We cannot peacefully resolve the conflict on our own. But Europe, and especially its leading powers, wants to see at least that we are serious about reaching a solution to the conflict, whether gradually, or through an intensive effort.

The problem is, the ones paying the price for the stalemate in our relations with Europe are first and foremost the citizens of Israel. We need to enter into a far-reaching dialogue with Europe. The EU faces unprecedented challenges in an unstable and unpredictable international environment. Against that backdrop, we have a lot to offer, and a huge amount to gain.

With many European economies struggling with low growth and high unemployment, Israel's dynamic and entrepreneurial economy makes for an attractive partner. With Europe facing unprecedented internal and external security threats, Israel can contribute highly valued technological, security and intelligence knowhow. With Europe's stability directly affected by the turbulent events in the Middle East, Israel is an important strategic ally. We even offer an invaluable alternative energy source – in the form of natural gas – for a continent keen to diversify its energy sources. Now more than ever, the chaos in our region, which is felt directly in Europe, underlines the values we share with the West.

This, therefore, is exactly the right moment for a responsible and clear-sighted Israeli leadership to enter into an intensive dialogue with EU leaders aimed at broadening our cooperation and deepening European political support for Israel.

The agenda for upgrading our relations with Europe will necessarily contain a long and significant list of issues, including blocking anti-Israel moves by the Palestinians at the UN, developing a joint strategy to dismantle the BDS movement and securing European support for our legitimate demands regarding the two-state solution. Among these demands are recognition of Israel as the nation state of the Jewish people, the settlement blocks, and of course Israel's security demands – at the core of which is ensuring a longterm Israeli presence in the Jordan Valley. Now more than ever Europeans are likely to recognize the danger of a potential security vacuum from the East, and will want to upgrade cooperation with us in the battles against crime and terrorism. At the same time, we should be building a unified front against Sunni Jihadist forces and the radical activities of Iran in our region.

On the economic level, we should strive together to upgrade our relations by providing greater access for the Israeli economy to the European market and deepening our cooperation in the fields of health, education, science, research and energy, in ways that will improve the lives and opportunities of every Israeli.

We should be constructing a future in which Israel sits at the heart of security cooperation between Europe and moderate Arab states, confronting the shared threat of Islamic extremism. We should aspire to a future in which we enjoy a pivotal economic role as a state with exceptional levels of integration with the EU and ever-increasing economic cooperation with our neighbours, the moderate Arab states, especially as the Arab world is changing before our eyes, with a new generation of leaders prepared to cooperate with Israel.

To seize this opportunity, we need a diplomatic process. This does not mean we have to reach a permanent agreement for resolving our conflict with the Palestinians tomorrow. European leaders are aware that the Palestinians are gripped by chaos, in the midst of a tough internal dispute, and of their responsibility for the situation. But we can show we are serious about a two-state solution by laying out a credible, long-term Israeli plan to move in stages towards a two-state goal, including an initiative to launch regional



negotiations based on the principles of the Arab Peace Initiative, and confidence-building measures in the direction of separating from the Palestinians.

All our advantages – our geographic location; our developed and entrepreneurial economy; our high level of economic and cultural integration with Europe; our special economic and security relationship with the US; and our large Arab-speaking population – give Israel the potential to become a pivotal state between Europe and the Middle East. Add to this our flourishing economic relations with China and India and it becomes clear that Israel can enjoy the best of all worlds.

If we miss this window of opportunity, future generations of Israelis will pay the price. Demographic trends in Europe are working against us. The younger generation in leading Western European states is less favourable towards Israel. The memory of the Holocaust and its lessons are less prominent with the passage of time and the Muslim population in Europe is growing.

Domestic pressure in European political systems is liable to push toward the isolation of Israel if we do not act now.

The proof of this, as mentioned, is that since 2009, for eight years now, Israel has suffered from a prolonged standstill in developing the wider strategic framework of its relations with Europe.

So here is the opportunity. The potential is great.

We must read the map and advance instead of arguing.

We must move with courage and determination, because Europe is indeed waiting for us.

A NEW ERA OF THREATS AND SECURITY

SVEN-ERIC SÖDER

DIRECTOR GENERAL, THE FOLKE BERNADOTTE ACADEMY

The subject of this roundtable conference is very timely. Institutional management of peace, security and economic development is crucial for success. There can be no sustainable peace and security without functioning institutions.

I think it is highly appropriate to discuss this subject here in Israel. The Jewish people know from history, maybe better than any of us, what a lack of security means and what the consequences can be.

My own government agency – the Folke Bernadotte Academy – is named after a man who provided thousands of prisoners with safe haven from the Nazi death camps at the end of World War II, when he headed the so called White Buses Expedition into Germany in April 1945. The expedition rescued Jews and Scandinavian resistance fighters from the notorious death camp in Ravensbrück – among them many female Jews.

Before I elaborate a bit on Russia, the US and the EU as three important security actors, I would like to draw your attention to two more general observations:

i. First: Threats and security needs are of course different today compared to what we experienced only a couple of decades ago. As the title of this conference indicates, we are living in A New Era. The end of the Cold War implied, in many respects, a paradigm shift. Characteristics of conflicts have changed. Today, there are fewer inter-state conflicts in the world and a larger number of intra-state conflicts. We have also experienced an increase in the total number of conflicts over the last twenty years, although this number has decreased slightly in the last few years – according to the Uppsala University Conflict Data Base. Today's conflicts are also deadlier, more complex and often also conducted as proxy wars. Syria is a prime example of that.

ii. **Second**: We need to see the world as it is – and not as we would like it to be. In my view, policies and actions often lead in the wrong direction, because we are not able to see the world as it is. I will give you a couple of examples of this.

Russia, the US and the EU

Russia is on the move. One should not underestimate the Russian ambitions and the role they are playing, as well as their impact. On the other hand, in order to truly grasp Russia's position in the global order it is necessary to analyze the country's macro figures. Russia is #52 in the world in terms of GDP per capita. Its share of the total world exports of goods is only 2.5 %, although the Russian economy is the 11th biggest in the world. The Russian economy is under heavy pressure primarily due to low commodity prices. Russian growth is also modest. It is also worth noticing that it took Russia 16 years to reach the same GDP level as she had in 1990.

Two years after Russia reached the 1990 GDP level, in 2008, the Russian-Georgian war broke out. In 2014 came the annexation of Crimea and the conflict in Eastern Ukraine, and in 2015, Russia intervened in the Syrian civil war on the same side as the Assad regime.

In addition to these events, Russia has, in recent years, engaged

in extensive shady Internet activities around the world. We have probably only seen the beginning of the current revelations.

I think we in the West have one fundamental lesson to learn in relation to the Russian development of the last decades:

We cannot afford the luxury of being naïve. We need to see the world as it is. It was naïve to think the collapse of the Soviet Union and the end of the Cold War was "The End of History", the triumph of liberal democracy and the arrival of a post-ideological world as Francis Fukuyama wrote in 1992.

If Russia, given her resources, in some aspects is moving her positions forward, we can hardly say the same **about the US**. What is happening under the current US administration is a chapter in itself. However, American interventionism in some cases and lack of action in others during the last two decades cannot be described as anything other than failure. 16 years of war in Afghanistan did not put an end to the Afghan conflict. The second Gulf war resulted in a turmoil which we are still suffering from. US and UK actions in Iraq can at best be described as naïve – but what we saw was in reality a policy based on a lack of knowledge and ability of historical dimensions. The combination of the last decade's failures and mistakes, and the present uncertainty about the US's direction, is a challenge for all of us.

What does all this mean for Europe and the EU?

The EU is nearby. The distance between Tel Aviv and Athens is even smaller than it is between Stockholm and Brussels. It is impossible to neglect the EU. On this I fully agree with Mr. Herzog. The EU plays and will continue to play an important role in the future as well. Not least because the EU is the second biggest market in the world and the #1 international development actor and donor. Last year, the European External Action Service and its High Representative Federica Mogherini published "A Global Strategy for the EU's Foreign and Security Policy". Security and protection of Europe are at its core.

It is of course impossible to tell how the grand ambitions of the Global Strategy will be materialized. However, it is an interesting point of departure, and some important measures have already been initiated in areas like defence and migration.

The EU is also running many civilian and military operations overseas as part of its Common Security and Defence Policy. In the Middle East and the Mediterranean Sea area, operations are up and running in Iraq, Libya, and Palestine and on the Mediterranean Sea itself. The Folke Bernadotte Academy is seconding civilian experts to these operations.

So what is the conclusion of all this? It goes without saying – we are living in **A New Era**. We have to adapt to new realities and as I have said, we have to see the world as it is and not as we would like the world to be.

On this note I would like to finish with a thoughtful quote:

George Orwell wrote already in 1941 in the middle of a burning World War II and the Holocaust:

"The energy that actually shapes the world springs from emotions – racial pride, leader-worship, religious belief, love of war – which liberals mechanically write off as anachronisms".

In order to form relevant policies and to undertake relevant actions, it is important to understand the deeper meaning of this quote.



A DIFFERENT VISION FOR REGIONAL AND TRANSREGIONAL COOPERATION - BUILDING A SOLID FUTURE FOR THE MIDDLE EAST AND EUROPE

AMB. PER ÖRNÉUS

SPECIAL ENVOY FOR THE MIDDLE EAST PEACE PROCESS, SWEDEN

Security should build on trust and partnership. Prospects for mutual gains in a longer perspective could be considerable.

Sound relations build on trust and collaboration and the simple fact that all parties involved in a lasting transaction must gain from the relation. Transcribed to the field of regional security politics, this means looking for win-win solutions where respect and adherence to the agreed principles of the international institutions are in focus.

Is now the time to reflect on finding a new avenue of dialogue and cooperation in the wider region, including the European-Middle Eastern partnership?

Let me start from a bilateral perspective and move on to a regional and even larger context.

My country, Sweden, is a strong supporter of a fair negotiated settlement of the Israeli-Palestinian conflict. Swedish-Israeli relations have been good and strong ever since the Swedish recognition of Israel in 1950, or even before that – Sweden was one of the UN member states that voted in favour of the UN Partition Plan for Palestine in 1947.

Swedish-Israeli ties and connections in areas such as trade, culture, science and innovation continue to be strong. And our hope is that these ties will develop and grow even stronger, to the benefit of both our peoples, countries and regions.

We do not believe in the isolation of Israel. On the contrary, my government believes and strives for strengthened relations. We believe in more and stronger trade and cultural exchange, more dialogue and exchange, not less.

However, the diplomatic relations between our two countries may leave a few things that could be improved. Political differences and differing opinions on a number of topics must not stand in the way of serious dialogue. We are strong believers in constructive dialogue, even if it, at times, can become uncomfortable.

Sweden is a strong supporter of Israel and Israel's right to live in stable and predictable security within defined secure borders. This includes strong condemnation of any acts of violence, terror or incitement. We believe that it must be our common goal to find ways out of the current impasse in the Israeli-Palestinian conflict – a situation that could be described as "status quo", or as a prolonged occupation with questionable legal grounds in International Law.

We believe that it is of critical importance that Palestine develops in the right direction into a united, democratic, open society with peaceful relations with its neighbours.

We believe in the two-state solution where the two states, Israel

and Palestine, live side by side in peace and cooperation, within secure and defined borders.

The vision of a two-state solution - or should I say the defence of the viability of the two-state solution - is key in this context. We regard a two-state solution as the only realistic way to end the conflict and build conditions for new prosperous relations in the region and beyond.

The Swedish position is based on the respect for International Law, relevant UN resolutions and the defence of human rights and civil liberties as essential prerequisites for a sustainable peaceful future.

Why then the strong focus on International Law? Let me with some humility try to put this position in perspective.

I believe that a well-functioning international system, such as International Law and the United Nations, serves us well; us being the greater international community, especially small states, or to put it in the words of the UN Charter "We The Peoples of the United Nations".

Certainly there are flaws and room for improvement in this international system. But the general principle of searching for global, multilaterally agreed solutions and adhering to agreed principles has a great value in itself. This is especially true now in times when these values and principles are being questioned with higher voices, from stronger actors at an increasing pace.

We are witnessing great forces and powers at play. National, regional and global security policies have in part increasingly become a high stakes game, with strong illiberal winds blowing. One could claim that the global world order as we have known it since the time of the birth of the State of Israel is at risk. We may very well be living in dangerous times, without seriously giving this due consideration.

We might very well have reached a point in history when it is high time to consider a somewhat different regional or global perspective on the possible solutions or ways forward in the Israeli-Palestinian conflict.

It could be fair to say that the last quarter of a century has seen a sequence of missed opportunities as regards reaching a durable solution to the conflict. Without going into details I will mention some possible factors:

No Partner, No Trust, A strong belief in Conflict Management; A mutual build-up of deep distrust, and a continuous slippage of language and definitions. This has created a climate not conducive to peace talks or even dialogue.

The quest for a durable peaceful resolution of the Israeli-Palestinian conflict must not be a zero-sum game. Any durable solution for the future must be built on a certain degree, or vision, of win-win. This requires mutual trust. This requires constructive dialogue built on realistic assumptions. This pertains to the relations between the two parties involved, and naturally also the region as a whole, but possibly even to a wider circle of stakeholders.

The principles of the Arab Peace Initiative show the possible way forward – and the possibilities that potentially could open up. Without directly claiming that the Israeli-Palestinian conflict is the "Mother of All Conflicts" – there are indeed some other conflicts in the region – I nevertheless believe that the Israeli-Palestinian conflict needs to be seen, and possibly addressed, in a regional perspective.

Everyone stands to gain from a solid regional solution, not least

Israel. The security dimension of this is obvious. But the regional economic potential of "a new Middle East" – may I take the liberty of borrowing a term from the 1990s - are potentially enormous. Solid economic growth and stabilisation in the MENA region is something that would have great positive impact on a wider scale. The potential for economic growth and social stabilisation in the region is phenomenal. And one should not forget the potential positive impact such a development would have on Europe, not only in terms of security and trade, but possibly also in terms of political stability and the rekindling of a positive vision for the common future. The future of the MENA region and Europe is undoubtedly intertwined. The Mediterranean Basin should be regarded as a region with some common challenges that may need joint action and more collaboration to overcome. Lack of economic growth and rising unemployment are issues that must be addressed.

In conclusion, my message is that we are experiencing a growing trend of "classical nationalist power politics" or, in the words of Thucydides, "The strong do what they have to do and the weak suffer what they have to accept". This trend runs counter to the only durable, sound way forward. That is to strive for common ground and look for the mutually supporting steps building solid regional and transregional cooperation. It is common knowledge that sound business relations build on trust and collaboration and the simple fact that all parties involved in a lasting transaction must gain from the relationship. Transcribed to the field of regional security politics, this means looking for win-win solutions where respect and adherence to the agreed principles of the international institutions are in focus.

In order to achieve a different vision for regional and transregional cooperation, and at the same time safeguard and develop the international order built on International Law and the vision of the UN Charter, we have to engage in serious dialogue. This, as we all know, includes listening and trying to understand the narrative, the arguments and the concerns of the other parties. We have to think and act out of the box, yet at the same time be mindful that principled pragmatism does not become synonymous with cynical self-interest.

This will not be easy – but it is a prerequisite for building a solid future for the Middle East and Europe.

BALANCING INTERESTS AND VALUES IN THE MIDDLE EAST

PROF. ROSEMARY HOLLIS

PROFESSOR OF INTERNATIONAL POLITICS, CITY UNIVERSITY OF LONDON

I would like to pick up on a couple of themes regarding Israeli-European relations and confronting terrorism. First, combatting anti-Semitism inside the EU is not just about relations with Israel – it is about defending European values. And second, Europe is confronting terrorism and the EU has in common with Israel a desire to tackle this challenge, but there are important differences in terms of their respective approaches.

There are discernible trends in Europe that are worrisome. Some of the new far-right groups combine Islamophobia and xenophobia with explicit support for Israel – using this as cover for their threatening agenda.

Not only these groups, but also elements within government and the security sector in Europe are attracted by the Israeli expertise and technological capabilities in the "war on terror". However, we need to be wary of equating Islamist-inspired terrorism inside Europe with Palestinian resistance to occupation. They are not the same enemy.

It was suggested here that Israel stands on the frontier between the Muslim World and the Judeo-Christian one. Yet that frontier has been blurred all along – there is no neat crisp geographical frontier to defend. The legacy of successive empires, wars and migrations is intermingling and the challenge for Europe now is to define citizenship in inclusive terms and contain the exclusivist forces of nationalism. The embrace of globalization has peaked.

Meanwhile, now that ISIS has been rolled back in Iraq and Syria, attention is turning to "what next"? There is discussion in Europe about the nature of the endgame. That endgame cannot be the death of all ISIS fighters. For every fighter killed, more will volunteer, if for no other reason than revenge. ISIS could morph into a new entity, just as AI Qaeda did, more fragmented but still deadly when it strikes. That said, I do not believe ISIS or AI Qaeda poses an existential threat to Europe.

How the EU defends its citizens from terrorism, however, does have implications for the maintenance of European values. Defence of "us" from "them" cannot be an end in itself – either "we" uphold our values and have something worth defending or we are no better than "them".

The quest is to balance interests and values as opposed to arguing they are the same. Democracy is not the recipe for stability – as demonstrated in the Arab Spring – and Europe is no longer advocating the spread of democracy to the Neighbourhood. However, at the same time, the potential for democratic values to erode inside Europe – in the face of populist nationalism and Islamophobia cannot be taken lightly.

The Israeli-Palestinian issue does warrant concern in Europe because of historical and religious links to the Middle East going back to Biblical times. And today human rights groups, religious and ethnic groups in Europe, define themselves in part in relation to the conflict. Governments even use the positions of people on the conflict as a potential indicator of radicalisation.

ACTIVITY REPORT

ITAMAR GAZALA

RESEARCH DIRECTOR, THE MACRO CENTER FOR POLITICAL ECONOMICS

In recent years, the international mechanisms have been fundamentally eroding. There are many crises that have not managed to be solved by international organizations. This is due, first and foremost, to the undermining of the respective countries in international bodies. The recent prominent examples can be found in the Brexit decision, the referendum in Italy, and US president Donald Trump's remarks against NATO and the UN, among others.

These are not random incidents. The confidence of countries in international institutions is dropping; people feel that they are funding and supporting them but not deriving the proper benefits from them.

Countries are converging inwards, ethnocentric nationalism is increasing and the self-identity of the people is being undermined. The decreasing sense of belonging, affected primarily by the great migration waves, has caused people to feel as though "their home is being taken away".

In this context, an international conference on the subject of "Europe and the Middle East: A new era in institutional management of peace, security, and economic development" was held jointly, for the second consecutive year, by FEPS, the Macro Center for Political Economics and the INSS, in cooperation with the Jean-Jaurès Foundation and the Karl Renner Institute, in order to explore the real impact the current policies of the various international institutions have on Israel, conflict resolution and regional cooperation with its neighbours, and the particular impact on the EU and its member states and the role they have in respect of EU-Israeli relations.

Approximately 20 distinguished politicians, public officials and other decision makers, diplomats, academic scholars and high-ranking experts from leading think tanks participated in the seminar and contributed to a series of very interesting sessions.

This chapter will briefly review the main contributions of the respected figures who participated in the conference, focusing on the participants whose complete inputs do not appear in the previous chapters of this book.

Kick-Off Dinner

The opening dinner, on November 4th 2017, moderated by **Dr. Roby Nathanson**, Director General of the Macro Center for Political Economics, was aimed at introducing the main themes to be touched upon during the conference to the distinguished participants of the event. The keynote speakers focused on the wider perspective regarding a number of international and regional developments.

Participants were greeted by **Dr. Oded Eran**, Senior Researcher and Head of the European Program at the Institute for National Security Studies (INSS).

The keynote speech of **Massimo D'Alema**, Former Prime Minister of Italy, focused on the main foreign policy concerns and the most crucial choices made by the European Union vis-à-vis the Middle Eastern region, in order to compare them with the choices Israel is making and find major concurrences, where possible, and main disagreements.

The keynote speech of **Lt. Gen. (Ret.) Moshe (Bogie) Ya'alon**, Former Defence Minister of Israel, focused on his wider perspective regarding major developments in the Middle East and the main strategic challenges for the State of Israel along with presenting his approach to the optimal course of action.

International Conference

Greeting and Opening Remarks

During this introductory session, welcoming remarks inter alia addressed the rationale behind this event. Institutions such as the European Union (EU), the Quartet or the United Nations, as well as a number of institutional processes are challenged in multiple ways. The creation of new agendas and the need to coordinate common steps to face these new international challenges have informed these interventions.

At the opening of the conference, **Dr. Ernst Stetter**, Secretary General of the Foundation for European Progressive Studies (FEPS), welcomed the participants and provided an introduction about the topic of the conference and provided his own insights regarding the management of peace, security and economic development through an institutional perspective during the troubled times our world is going through.

Amb. Dr. Emanuele Giaufret, Head of the Delegation of the European Union to the State of Israel, reiterated that despite the internal problems and turbulence that Europe has experienced recently, the EU remains a significant player in maintaining the existing world order and in particular in maintaining regional stability in the Middle East. Moreover, he stressed that the European

presence in Israel is more important and stronger than ever - from the tightening of economic relations in various fields to the treatment of anti-Semitic incidents.

Dr. Oded Eran, head of the European Program at the INSS, referred to the recent events in Lebanon and Saudi Arabia and stressed the extent to which the Middle East is unstable and changes are taking place on a daily basis. In this context, he raised the question of whether arrangements such as a permanent settlement between Israel and the Palestinians are possible, and whether partial arrangements should be made towards the goal of two states for two peoples.

First Session: A changing European Union: steering through the new political and economic landscape

Chair: Dr. Roby Nathanson, Director General, Macro Center for Political Economics

This first session was aimed at providing a tour d' horizon of what the role of the European Union as an institution could be in the emergent international landscape amidst the plethora of its own problems. Dealing with lingering economic problems, the migration issue, Brexit and the rise of independence movements in some member states, high levels of disenchantment with the European project, the right-wing populist and anti-establishment surge, and the ascendant nationalist sentiment in many member states, as well as the vagaries of domestic politics in several national contexts, forms only part of this very complicated picture. What is the EU required to do in order to better tackle all these challenges? What can be its international role in the political and economic domain against this backdrop, especially vis-à-vis the new US administration, Russia and the Middle East?

Dr. Roby Nathanson spoke about the role of international insti-

tutions, such as the World Bank, WTO, the UN and the EU, in economic and regional development, in general, and in managing the regional conflict in the Middle East, in particular. In his opinion, the EU's new foreign policy requires Israel to reconsider its response, but Europe must examine whether its new strategy addresses the new problems that have emerged in Europe in the last two years. Europe must relate to the presence of Russia as the new dominant regional player. As far as conflict management is concerned, all the conditions are known and laid out on the table, apart from explicit statements on the policy of both sides and the possibility of a joint policy statement.

Keynote speeches and inputs:

Dr. Alfred Gusenbauer, Former Chancellor of Austria, agrees that the economic crisis in Europe has put the rest of the world's economies in danger, but he is now confident that the European economy is stable and strong, even if it is not thriving and he is satisfied with the overall result. Gusenbauer claims that the European Central Bank is currently at the same level of importance as the Federal Reserve Bank and stressed that increased competitiveness in the European market will benefit the economy's progress. The rise in the desire for national independence in Europe is not dichotomous and there are always possibilities for compromise, while extreme dichotomous decisions are likely to put Europe at risk of economic and geographic instability. These dangers, he claimed, affect the management of the Israeli-Palestinian conflict, with progress in the peace process being voluntary rather than coercive.

Dr. Tal Sadeh, Ex-President of the Israeli Association for the Study of European Integration and Senior Lecturer at the Department of Political Science of Tel Aviv University, argued that the EU is an institution whose goal is to stabilize the world order and increase economic prosperity, but, without an explicit policy that

includes proposing solutions, it is weak and thus dangerous. The wave of populism in Europe, characterized by a lack of structured policy and the cancellation of decisions by veto power, is not strong enough to reduce the status of the EU. For Israel and the Palestinians, Sadeh argues that the conflict has become an institution in itself. He stressed that both sides have a common interest in preserving the conflict, since it has become a component of identity for both sides, and for them a situation of non-violence means an adequate form of peace.

Prof. André Gerrits, Professor of International Politics at the University of Leiden, stressed the presence of Russia in the region as a surprising factor that Europe must address in defining its new strategic policy. The situations in the Crimea and in Ukraine are examples of areas in which the EU is unable to respond. In his opinion, it does not matter who heads Russia, because there is a more basic clash between the European Union and Russia at the level of European norms and a clash in the desire to have more influence in the Middle East.

At the end of the first session, **Maj. Gen. (ret.) Amos Yadlin,** the Executive Director of the INSS, welcomed the conference participants and presented Israel's national security balance at the end of 2017. This was a very positive balance, one of the best in the country's 70 years. He stated that there is no existential threat to Israel. Israel exists as an island of relative solidity in a violent, stormy and unstable Middle East. The world has understood that the Israeli-Palestinian conflict was not the source of the problems of the Middle East. Israel has signed peace agreements with Egypt and Jordan, and recently it seems that there are many common interests with Saudi Arabia and the moderate Sunni world. In terms of Israel-US relations, President Trump is considered a president friendly to Israel, Russia is not an enemy, Israel's interests in Syria are understood by the Russians, Israel's relations with India and China continue to develop, and Israel maintains positive bilat-

eral relations with EU countries.

In conclusion, Yadlin argued that the regional situation, the military balance and political developments present many opportunities for Israel, and that the Israeli government's passive policy focusing on threats rather than prospects, is a missed opportunity to translate a positive strategic balance to advance Israel's vital interests.

Second Session: A more prosperous Middle East: fostering regional economic collaboration and development

Chair: Vassilis Ntousas - International Relations Policy Advisor, FEPS

This session focused on the pathways through which regional economic collaboration and development can be fostered across the Middle East. What are the main opportunities in the region when it comes to the labour market, job creation and the mobility of employees? How would the discovery of natural resources in the area, as well as the low prices of gas and oil, impact the region's economic development? In which areas is the increase of investment in human and physical capital and infrastructure mostly required? What are the opportunities when it comes to the environment and the reduction of gas emissions in the Middle East, and how can tourism be boosted in the current international context? How can a number of regional geopolitical processes, such as the Syrian war and the attempts at Palestinian national re-unification, affect the economic collaboration and development in the region?

Vassilis Ntousas began by referring to the fact that the economic situation in the Middle East is not bright due to ongoing conflicts such as in Iraq, Syria and Yemen. Many people have lost their lives due to these conflicts and there is no political peace and no economic peace. There is almost no trade or tourism, there are many



refugees across the continent, a drop in oil prices, little investment and instability of external capital.

Keynote speeches and inputs:

Adv. Hiba Husseini, Managing Partner of Husseini and Husseini Law Firm, dealt with the economic challenges alongside the opportunities of Palestinian society. The statistical data and the state of regional integration indicate a lack of development and a state of severe unemployment. About 50% of the youth under the age of 25 are unemployed. Palestinian society remains behind due to lack of access to high-tech and advanced technologies, political restrictions and lack of access to natural resources such as gas and oil. At the same time, there is potential for religious tourism, exploitation of natural and gas resources on the shores of Gaza, and progress towards high-tech skills.

Dr. Claire Spencer, Senior Research Fellow at the Chatham House Royal Institute of International Affairs, noted that history is important and should be learned from. The Arab Spring can be viewed as a failure, but this is not the end of the story of the Middle East and the opportunity for reconstruction depends on economic prosperity. We must support high-tech projects in cooperation with Israel, connect to the industrial revolution, and take advantage of the potential of virtual activity.

Dan Catarivas, Director of the Division of Foreign Trade & International Relations at the Manufacturers' Association of Israel, said that in terms of international economic relations, the situation in Israel is positive, exports and imports exist despite the decreasing demand in Europe and the United States. With the EU, economic ties have never been better, despite the political situation between the EU and Israel. In the next few years, Europe will be the main trade, import and export partner for Israel, even though it is not in tune with politics.

Dr. Oded Eran believes that it is possible to separate economic issues and political issues in the Middle East. Topics such as water and environmental issues are not related to the issue of Jerusalem. Israel, the Palestinians, and the international community must define the goals that can certainly be achieved in the near future, as against treating distant future goals.

Regarding the rehabilitation of the Middle East, Dr. Eran referred to the EU's lack of action. The EU does not want or cannot invest the huge sums needed to bring the Middle East back to the situation it was five years ago. That leaves the Middle East with one sponsor - China. With huge projects and a lot of money, China is financing the Middle East and the question arises: Is this neo-colonialism positive? Economic investment always comes with a political agenda.

At the end of his input, Dr. Eran addressed the issue of gas on the shores of the Mediterranean, saying that the exploitation of gas on the Gaza coast could strengthen the Palestinian economy but requires political oversight. The EU can help in achieving this goal and therefore Europe should focus more on issues of regional cooperation.

Third Session: A more confident European Union: managing security cooperation in a new geopolitical environment

Chair: Dr. Ernst Stetter, Secretary General, FEPS

Building on the discussions of the first two sessions that focused more on the political and economic aspects, the third session shifted the spotlight to the security domain. Amid a landscape of changing international and regional political dynamics, how can Europe act in a united way and with a common voice in promoting its foreign and security policies? In what ways can the EU address the increasing influence of Russia, not least in the Middle East, also in light of the lessons learnt after the Russian military intervention in Ukraine? What are the dynamics in the transatlantic relationship in the face of the unpredictable and precedent-breaking new US President, notably vis-à-vis the role of Iran and Russia in the region? Can the combined effect of terrorist threats and regional patterns of instability lead Europe to more enhanced security cooperation?

Dr. Ernst Stetter stressed the urgency of the international community's intervention in resolving the Israeli-Palestinian conflict, particularly the development of the two-state solution. While efforts have been made in the past, there is a need for further effort in a protracted conflict.

Keynote speeches and inputs:

MK Isaac Herzog, Leader of the Opposition in the Knesset, said that a tectonic change is taking place in which the EU has become dependent on Israel and it is not just Israel that is dependent on the EU. He argued that in view of the current circumstances in Israel, it was time for the Israeli government to recognize the growing importance of economic cooperation with the EU. Moreover, he claims that Israel can be considered the gatekeeper of the Islamic terror threat to Europe. He argues that relations with the EU cannot be neglected in favour of bilateral relations, and that multilateral, intelligence and technological cooperation on terrorist threats can be increased. Economic development, in his opinion, is considered a strategic point that the EU must adopt in its relations with Israel in its attempt to be a key factor in resolving the Arab-Israeli conflict.

Sven-Eric Söder, Director General of the Folke Bernadotte Academy, agrees that the issue of security is essential to ensure the quality of life of citizens and the existence of any society. While we live in a world different from that of the Cold War era,

the EU's assessments of Russia's goals and capabilities should not be underestimated. As a backup, he said, Russia's invasion of the Crimea and its malicious actions in the global cyber space should be considered.

Alessandro Minuto-Rizzo, former NATO deputy Secretary General, said that EU foreign policy on defence was the latest element in EU policy, although it had been discussed in the past in Chirac's time. Until the Treaty of Lisbon, delegations outside the EU were very limited in terms of manpower and resources. However, in recent months, or more precisely after the French elections, things have changed even more, and Macron, in his opinion, is following in Chirac's footsteps when he talks about building a European military force. However, NATO has added value beyond being a military alliance, carrying out pinpoint operations relatively simply and efficiently, while the EU has much more complex issues to deal with.

Massimo D'Alema, former Prime Minister of Italy, thinks it is time to strengthen political ties between Israel and the European Union. Due to the rise of nationalism and populism, many Europeans perceive the European role in the Middle East as sponsors rather than as an active actor – PAYERS rather than PLAYERS.

Fourth Session: A more stable Middle East: forming new regional security arrangements

Chair: MK Ksenia Svetlova, Zionist Camp Party

The fourth session was aimed at providing a security-centred discussion of the current status quo and of the future dynamics in the Middle East. In what ways could the cooperation between the moderate Sunni world and Israel foster the creation of new regional security arrangements? How can moves in this direction affect the stalling Middle East peace process? Is it conceivable that the new US President will succeed where his predecessors failed? Will the reconciliation agreement between Fatah and Hamas influence the Israeli-Palestinians negotiations? How are the various scenarios concerning the next phase in Palestinian leadership expected to impact the regional security arrangements? How does the current role of Russia and Turkey in the Syrian crisis influence the geopolitical and security dynamics in the Middle East, and how does it impact the current security arrangements?

MK Ksenia Svetlova noted that the countries in the Middle East remained as they were only in name. Military intervention alone cannot change the internal dynamics that occur (such as in Iraq and Afghanistan). It is difficult to predict what will happen in Syria in areas beyond Assad's control. Therefore, Israel and Europe need to speak the same language. They have many common goals and friends with similar interests and challenges will only increase over time. Thus, seven years after the Arab Spring, the challenges have only increased. The situation in the Arab world has deteriorated both from a security and socio-economic standpoint. The Israeli-Palestinian conflict no longer receives the proper attention in the world - it is not attractive enough - and the media agenda does not improve this situation, and the result is the continued stagnation that we have been experiencing for several years now.

Keynote speeches and inputs:

Amb. Per Örnéus, Special Swedish Envoy for the Middle East Peace Process, claimed that Sweden supports negotiations between Israel and the Palestinians. Relations between the two countries are strong and are expressed in trade, science, innovation and culture. Sweden does not believe in isolating Israel despite differences of opinion.

He stressed that the two-state solution is the only viable solution

and the commitment to international law is important. He does not accept statements about the existence of an "obsession" with international law. He argues that a good and functioning international system is essential to maintaining world order, especially in the period in which we now live when international institutions are undergoing repeated attacks.

Regarding the Israeli-Palestinian conflict, he believes that by looking at it from a regional perspective, everyone has something to gain from a solution. He believes that through a dialogue that includes recognition of the narrative, concerns and fears of all sides, a common basis can be found and common ground will be reached. Now that the economic and geopolitical situation in Israel is relatively good, it is time to look ahead rather than deal with fear.

Prof. Rosemary Hollis, Professor of International Politics at City University of London, was concerned that Israel is exporting to Europe, among other things, expertise in fighting terrorism. She is troubled by the fact that Israel today teaches the Europeans various methods of fighting terror, which include, aside from "legitimate" means, also some shady practices such as torture of terrorists as a means of extracting information from them. This claim led to a response by MK Svetlova that this is not true, and there are clear voices in the Knesset calling for condemnation of any method of counter-terrorism that is contrary to Israel's being a democratic state that protects human rights.

Elias Zananiri, deputy chairman of the Palestinian Committee for Interaction with Israeli Society, said that it is important to characterize who we are, because we are all victims of the problem. He added that the Israelis are pushing to strengthen diplomatic ties with various countries, but the Palestinians cannot maintain diplomatic relations with Israel until Israel stops occupying Palestinian territories. The fact that the Israeli-Palestinian conflict has been going on for so long reinforces extremist movements seeking justification for their actions. The security coordination between Israel and the Palestinians is still underway so that the right-wing government in Israel will not be legitimized to act against the Palestinians. Therefore, Zananiri argues, international law is so important. Israel was founded as a result of international law, but is not acting under it. It exists to promote regulation among countries on various issues. Although international law is far from being utopian, it is important to institutionalize issues in the international community and to settle political disputes in the international arena.

Concluding Session: Closing Remarks

Chair: Ricard Torrell, Former President of European Youth Forum (EYF)

The concluding session, with the participation of **Dr. Ernst Stetter, Dr. Oded Eran and Dr. Roby Nathanson** summarized the main insights and points of interest at the conference and stressed the importance of a continued dialogue between Israel and Europe in such meetings.

CONTRIBUTORS



Dan Catarivas is Director of the Division of Trade and International Foreian Relations at the Manufacturers' Association of Israel and Director of International Relations at the Federation of Israeli Economic Organizations (FIEO). Prior to this position he served in the Israel Government for twenty-five years, where his last position was Deputy Director General for International Affairs at the Ministry of Finance. He holds MSc degree in Economics from the London School of Economics in the field of European Economic Integration and a Diploma from College D'Europe in Bruges, Belgium, in the field of Advanced European Studies.



Massimo D'Alema is a former Prime Minister of Italy. He was in office from October 1998 until April 2000. He was the President of the Foundation for European Progressive Studies (FEPS) from 2010 and held this post until June 2017. In 2004 he became a Member of the European Parliament and Chair of the EP Delegation for relations between the EU and the Mercosur. On 2006 he was appointed deputy Prime Minister and Minister of Foreign Affairs in Italy. In 2008 he was elected MP for Apulia representing the Democratic Party. He has been the President of the "Fondazione di cultura politica Italianieuropei" Political Foundation since 2000.



Dr. Oded Eran is a Senior Research Fellow at the Institute for National Security Studies (INSS). He served as director of INSS from 2008 to 2011, following a long career in Israel's Ministry of Foreign Affairs. He served as the Secretary General of the Israel Branch of the World Jewish Congress, as Israel's ambassador to the EU (covering NATO as well, 2002-2007), Israel's ambassador to Jordan (1997-2000), and head of Israel's negotiation team with the Palestinians (1999-2000). He is an advisor to the Knesset Subcommittee on Foreign Affairs. He holds a PhD from the London School of Economics.



Itamar Gazala is the Research Director of the Macro Center for Political Economics. His focus is on macro-economic research with an emphasis on the labour market, political and regional economics and Israel's economy. He has been active in the encouragement of the public discourse in Israel on a wide range of topics, including cost-benefit analyses of economic reforms, the national budget and social security. He holds a master's degree in Public Policy and Administration from Ben-Gurion University, a BA in Economics and a BSc in Statistics and Operations Research from Tel Aviv University.



Prof. André Gerrits is Professor of International Studies and Global Politics, and Chair of the MA International Relations (European Union Studies / International Studies) and the BA International Studies, based in The Hague. Previously, he held the chair in Russian History and Politics at Leiden University and the Jean Monnet Chair in European Studies at the University of Amsterdam. He was also a Senior Research Fellow at the Netherlands Institute of International Studies Clingendael. His main fields of interest include world politics, Russian domestic and international politics, and EU external relations.



Amb. Dr. Emanuele Giaufret has been Head of the Delegation of the European Union to the State of Israel since September 2017. In 2007 he was appointed Head of Section- EU Delegation to the UN in New York. From 2011 he was Assistant to the Managing Director for North Africa and the Middle East. In 2013 he was appointed as the Head of Division for Democracy and Electoral Observation for the European External Action Service. He has a PhD in History of International Relations from the University of Florence (Italy) and a Master's degree in European Affairs received from the College of Europe (Bruges, Belgium).



Dr. Alfred Gusenbauer Former President of the Karl Renner Institute. He was Austria's 11th Federal Chancellor, serving between 2007 and 2008 and the leader of the Social Democratic Party of Austria (SPÖ) from 2000 to 2008. Since then he has pursued a career as a consultant and lecturer, and as a member of supervisory boards. He studied political science, philosophy and law at the University of Vienna, where he obtained a PhD in political science. He holds an honorary doctorate from the Interdisciplinary Center Herzliya (Israel) and is an Honorary Senator of the European Academy of Sciences and Arts.



MK Isaac Herzog is Leader of the Opposition and former Chairman of the Israeli Labour Party and the Zionist Union Party (2013-2017). Member of Knesset since 2003, he served in several ministerial and parliamentary positions, including: Minister of Housing and Construction (2005), Minister of Tourism (2006-2007), Minister of the Diaspora, Society and the Fight against Anti-Semitism (2007-2009), Minister of Welfare and Social Services (2007-2011) and leader of the opposition (since 2013). He served in the IDF as an officer in Unit 8200 of the Intelligence Corps and is a law graduate from Tel Aviv University.



Rosemary Hollis is a Professor of International Politics at City University, London. She focuses on international political and security issues in the Middle East, particularly UK, European, EU and US relations with the region and the international dimensions of regional conflicts. From 2008 to 2016 she was Director of the Olive Tree Programme at City, with responsibility for designing and running a programme of cross-conflict dialogue and related exercises for Israeli and Palestinian scholarship students. Prior to joining City she was Director of Research at Chatham House, the Royal Institute of International Affairs.



Adv. Hiba Husseini is a managing partner of Husseini & Husseini Attorneys and Counsellorsat-law in Ramallah. She also specialises in policy reform and analysis of the legal and economic aspects of the Palestinian-Israeli conflict. She chairs the Legal Committee for Final Status Negotiations and has served as legal adviser to peace process negotiations between the Palestinians and Israelis since 1994. She holds a JD from Georgetown University, a master's degree in political science from the George Washington University and a master's degree in finance from the University of Sorbonne.



Amb. Alessandro Minuto-Rizzo was the NATO Deputy Secretary General from 2001 to 2007. In this capacity he focused on strategic outlook and negotiations in complex issues, high level contacts and negotiations with Governments and International Organizations with special attention on Partners. Mediterranean and Gulf countries. Prior to this position he was Ambassador of Italy to the Western European Union and to the Committee for Policy and Security of the European Union. He was also Diplomatic Counsellor to the Minister of Defence from 1997 to 2000.



Dr. Roby Nathanson is the Director General of the Macro Center for Political Economics. He served as Director of the Histadrut's (Labour Federation) Institute for Economic and Social Research and has been active in preparing programmes aimed at socio-economic structural reform. He has taken part in negotiations on the future of the Israeli economy within the framework of strategic planning teams and think tanks. He obtained an MA and a PhD in Economics, specialising in international trade and development, from the University of Köln (Germany).



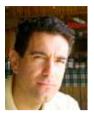
Vassilis Ntousas is the International Relations Policy Advisor at the Foundation for European Progressive Studies (FEPS), where he coordinates various international projects and activities and conducts political research. He received his MSc in International Relations from the London School of Economics in 2011, specialising mainly in foreign policy analysis and international security issues. He had previously received a First Class Honours for his BA in International Relations and Politics from the

University of Sheffield in 2008.



Amb. Per Örnéus is Sweden's Special Envoy for the Middle East Peace Process. He was Sweden's first Ambassador for Humanitarian Affairs. During his more than 25-year diplomatic career he served, among other posts, as Director General of the Department for Multilateral Development Cooperation (2010-2015), as Ambassador and DPR at the Permanent Mission to the UN (2008-2010) and as Consul at the Swedish Consulate General in Jerusalem (1995-1999). He has chaired UNRWA AdCom, OCHA Donor Support Group, ICRC Donor Support Group, and GHD International Group, and been a member of UN-CERF Advisory Group. He is currently a member of the board of the Dag

Hammarskjöld Foundation and of UNITAR's Board of Trustees.



Dr. Tal Sadeh is senior lecturer at the Department of Political Science at Tel Aviv University and ex-Co-President of the Israeli Association for the Study of European Integration (IASEI). He holds a PhD in International Relations and an MA degree cum laude in Economics, both from the Hebrew University of Jerusalem. His research and teaching interests include international political economics, and the political economy of the EU, in particular the single currency and EU-Israeli relations, as well as international institutions and governance structures.



Sven-Eric Söder has been Director General of the Folke Bernadotte Academy since 2012. He previously held positions as State Secretary in the Swedish Ministry for Foreign Affairs and Ministry for Trade. In the former he was responsible for aid to Central and Eastern Europe, in addition to managing the Baltic Co-operation and Nordic affairs. From the mid-1990s to early 2000s he participated in the group that facilitated the Stockholm talks between Israeli and Palestinian representatives. He has also worked as a Political Advisor and Press Officer in the Swedish Ministry of Defence.



Dr. Claire Spencer is Senior Research Fellow, Middle East and North Africa Programme ጲ Second Century Initiative at I ondonbased Chatham House, the Royal Institute of International Affairs. She was head of the Middle East and North Africa Programme at the development agency Christian Aid from 2003-2005. She is currently a steering committee member of the EuroMeSCo network of Euro-Med think tanks, and a core group member of the EU-Southern Neighbourhood Civil Society Dialogue initiative. She received her BSc in Politics from Bristol University and PhD from the School of Oriental and African Studies. University of London.



Dr. Ernst Stetter has been the Secretary General of the Foundation for European Progressive Studies (FEPS) since 2008. He is also a regular commentator on EU affairs in the media and visiting fellow at University of Greenwich, London. He is an economist and political scientist. He studied in Tübingen and Heidelberg (Germany) focusing on international trade, finance, economic and social policy and development issues. From 2003-2008 he was the Director of the EU-Office of the Friedrich Ebert Stiftung in Brussels. In 2003 he received the French decoration of Chevalier de l'Ordre national du Mérite



Ricard Torrell is Partner at STHAL Partners LLP. He was Secretary-General of the International Union of Socialist Youth (IUSY) between 1988-1993, President of the European Youth Forum (EYF) between 1993-1995, Member of the leadership of the Socialist Party of Catalonia (PSC) between 1993-1996, Coordinator of the International Department of the Socialists Workers' Party of Spain (PSOE) between 1996-2001, Manager of Nodus Barberá Business Centre between 2001-2004 and Head of the President of the European Parliament's Personal Office between 2004-2007.



Lt. Gen (Ret.) Moshe (Bogie) Ya'alon is the former Defense Minister of Israel. He was in office from March 2013 until May 2017. He served in the Knesset between 2009 and 2016 and has provided a lifetime of public service for the State of Israel. He was appointed in 2009 as Minister for Strategic Affairs and vice Prime Minister. He has served in numerous key positions in the Israeli Defence Forces (IDF), such as commanding the distinguished special forces unit Sayeret Matkal, continued to climb in rank, and from 2002 until 2005, he served as Israel's Chief of General Staff (head of the IDF).



General (ret.) Amos Yadlin has been the Executive Director of the Institute for National Security Studies (INSS) Since 2011. Following a term as head of Military Intelligence, he retired in 2010 from the IDF after more than forty years of service. Among his previous positions, he served as deputy commander of the Israel

Airforce, Israel's military attaché in Washington, and commander of the IDF military Colleges and the National Defence College. He has written on national security, force development, intelligence, civil-military relations, and the military ethics of fighting terror.



Elias Zananiri is Vice-Chairman of the PLO Committee for Interaction with Israeli Society. He is a former journalist, spokesperson for the PA's Ministry of Interior and Internal Security and Policy Advisor and Media Consultant of the PA's Ministry of Justice. He also served as Director General of the Palestinian Peace Coalition (PPC), a semi-official Palestinian organization to promote the two-state solution for the Arab- Israeli conflict from 2003 to 2007 and was CEO of Palestine Tomorrow, a private TV Channel in Ramallah.





The international conference on the subject of Europe and the Middle East: a New Era in Institutional Management of Peace, Security, and Economic Development, which took place on November 5th, 2017 in Tel Aviv, Israel, was jointly organized, for the second consecutive year, by the Foundation for European Progressive Studies, the Institute for National Security Studies and the Macro Center for Political Economics, in collaboration with the Jean-Jaurès Foundation and the Karl Renner Institute.

We had the privilege of debating with distinguished decision makers and experts regarding the impact the current policies of the various international institutions have on Israel, the conflict resolution and regional cooperation with its neighbours, the particular impact on the EU and its member states and the prospects of EU-Israeli relations.

This book contains the speeches delivered by several key participants, as well as enriching concepts and important conclusions which arose from the conference.

- This book is edited by FEPS and the Macro Center for Political Economics with the financial support of the European Parliament.
- ISBN number 978-2-930769-07-3