

Guiding Principles for Israel's Foreign Policy toward the EU

Recommendations of a Mitvim Institute Task Team*

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Ties with the EU are a strategic asset for the State of Israel. Europe is Israel's largest trading partner, a source of political and defense support (despite disagreements), an anchor of shared norms and values, a partner in cultural creation, and a central collaborator in research and development. The importance of these ties obliges Israel to invest attention and resources in preserving and even deepening and expanding them. Done right, Israel could leverage the tremendous potential of its ties with Europe for the improved wellbeing of its citizens and for its international standing.

However, in recent years, the Israeli government has been leading a negative campaign against the EU. It has been criticizing the EU for being anti-Israel, while making efforts to increase divisions between EU Member States in order to limit the EU's capacity to play a role in the Israeli-Palestinian issue. Toward the formation of a new Israeli government in late 2019, this article presents ten guiding principles for an improved Israeli foreign policy toward the EU, based on the work of a Mitvim Institute task team.

1. Changing the Israeli discourse on the EU: The Israeli right often portrays the EU as a political foe and attacks it in order to mobilize political support. This demonization of the EU must be deconstructed and replaced by an emphasis on the deep and multi-faceted Israel-EU partnership. Israel must deal in a matter-of-fact manner with EU criticism of its policies and foster a dialogue of partnership that underlines the stakes each has in the other. Israel must shift from a confrontational approach toward Europe to one of identification, attachment and partnership. It should aspire to increase its regional belonging to Europe, in parallel to similar efforts in the Middle East and Mediterranean, and while nurturing the special relations with the US.

2. Increasing Israelis' knowledge of the EU: Steps must be taken to increase Israelis' awareness, understanding and knowledge of the EU, what it stands for, and how it works. Israelis must understand that the EU is not just "another state" but rather a unique multinational body they should get to know well in order to deal with it wisely. They should understand the division of powers between the Union and its Member States, its institutions and its decision-making processes. By virtue of the EU's uniqueness, so, too, negotiations with it are unique in nature. Familiarity of the Israeli policy elite with the EU is also a precondition for effective promotion of Israeli interests.

* This document is based on the work of a Mitvim Institute task team that included Dr. Maya Sion-Tzidkiyahu, Amb. (ret.) Eviatar Manor, former Member of Knesset Nitzan Horowitz, Dr. Eyal Ronen and Raanan Eliaz, alongside Mitvim staff members Dr. Nimrod Goren, Dr. Roee Kibrik, Merav Kahana-Dagan and Nehoray Ofri. The full task team recommendations will be published in late 2019.

3. Structural changes in government conduct toward the EU: The Israeli government must relate in a structured manner to the European issue, hold discussions in central forums on strengthening ties with the EU, encourage mutual high-level visits, and institutionalize permanent communications channels and dialogue frameworks. Israel must define a broad and rational policy toward the EU and work to implement it. To that end, the Israeli Ministry of Foreign Affairs (MFA) must be strengthened and tasked with designing and leading relations with the EU as well as with integrating all EU-related work by the government.

4. Delicate and mindful approach to internal EU divisions: Israel occasionally has an interest in taking advantage of internal EU divisions. Nonetheless, in doing so, it must be mindful not to undermine the basic idea of the EU and avoid measures that could weaken it. For example, using its alliance with Greece and Cyprus to affect EU decisions is less threatening and more acceptable to the EU than alliances with far-right and populist forces – such as Hungarian Prime Minister Viktor Orban – that weaken European integration. This is also a smarter and more ethical course for Israel to follow, that will emphasize – rather than undermine – shared values.

5. Preserving and boosting Israel's affiliation with the club of liberal democracies: Israel's geographic location in a tough neighborhood should not preclude its aspiration to belong to the liberal-democratic club for the sake of its security and wellbeing, and to join hands with the EU in promoting this worldview. That includes recognizing the importance and legitimacy of European aid for Israeli civil society organizations, as well as the legitimacy of criticizing Israel's policy toward the Palestinian. Israel should partner with those in Europe who are also facing challenges to democracy, and act together toward strengthening good governance, equality before the law, transparency and tolerance.

6. Promoting and improving the EU's role in advancing Israeli-Palestinian peace: Israel should welcome European involvement in promoting the Israeli-Palestinian peace process, along with US mediation, as a source of political and economic incentives for peace and of increased interaction between Palestinian and Israeli civil society. Israel should respond positively to the European proposal for a Special Privileged Partnership after peace is achieved, hold talks with the EU on the desirable future framework for both sides, and describe to Israelis the fruits of peace, also in terms of relations with Europe. At a time in which sole US mediation is not acceptable anymore by the Palestinians and is not effective, the involvement of the EU – also in cooperation with other global actors – can be increased importance and value.

7. Seeking EU assistance in promoting Israeli-Arab regional cooperation: Joint forums between the EU and its neighbors create opportunities for meetings and cooperation between Israel and Arab states. Israel should deepen its involvement with these forums (such as the Union for the Mediterranean), implement the economic and diplomatic potential of smaller frameworks (such as the newly-established Eastern Mediterranean Gas Forum), and seek the help of European states in promoting ties with its Arab neighbors (such as Cypriot help in mediating the Israel-Lebanon maritime border issue). The EU could provide guarantees and budgetary resources to create joint industrial zones between Israel and its Arab neighbors and to provide preferential terms for the goods manufactured in these zones (similar to the Qualified Industrial Zones successfully implemented between Jordan, Egypt and the US).

8. Increasing European equity in Israel and furthering civilian cooperation: Israel has knowhow and experience valuable to Europe on issues such as the environment, social change, multi-culturalism and entrepreneurship. Israel could export such expertise to Europe, thereby increasing its value to the EU. The Israeli MFA's Agency for International Development Cooperation (MASHAV) could also be mobilized to help European states as needed. Israel should strive to join European programs that encourage and strengthen people-to-people ties in the fields of culture, research, environment, conflict resolution, trade unions and more. These ties must be two-directional, so that Europeans also come to Israel and get to know it. The many Israelis holding European passports are a resource for Israeli-European relations, and should be encouraged to become involved in issues relating to Israel's ties with Europe. Israel and the EU should also cooperate in the struggle against racism and anti-Semitism.

9. Deepening Israel-EU economic cooperation: Europe is Israel's main trading partner, but Israel's trade balance with the continent is negative and there is untapped potential for economic ties. Israel must work to expand its trade agreements with the EU and to establish an economic dialogue channel between professional EU and Israeli teams to promote, inter alia, the lifting of non-tariff obstacles, reduction of regulation and an approximation of laws. Israel could also adopt professional standards methods accepted in Europe and expand cooperation with employment authorities in Europe to advance mutual recognition of professional training and certification.

10. Expanding the presence and investment of European firms in Israel: European investment in Israel is limited compared with the extent of US investment in the Israeli economy. Technological cooperation between the EU and Israel should be encouraged and expanded, financial groups should be encouraged to enter Israel, and Israeli involvement in Europe's capital markets should be expanded by lifting regulatory obstacles and providing incentives. Providing credit lines and government guarantees for the best use of European funding for infrastructure projects would enable Israeli companies to enjoy foreign funding and take part in strategic risk initiatives.