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FOREWORD
FRANÇOIS HEISBOURG*

n approaching Europe’s role in the Greater Middle East, the European Security Forum had the benefit of three essentially complementary papers, with Alain Dieckhoff’s focus on Europe’s positioning vis-à-vis the Israeli-Palestinian nexus, Anthony Cordesman’s broad-spectrum view of the region, and Vitaly Naumkin’s Russian view of the EU’s role. The proceedings occurred before both the Beirut summit of the Arab League and the Israeli occupation of Ramallah and other West Bank cities.

In their oral presentations, the paper-givers were requested by the Chairman to address more particularly the question of what the EU should do, notably in relation to US policies, and to what extent the effectiveness of EU institutions could be improved.

Alain Dieckhoff (Senior Research Fellow, CERI, Paris) expressed his pessimism since Sharon’s political interest is to end the Oslo process. He noted that there would be a tremendous effect in Israel if the Palestinians confined their use of violence to the occupied territories. He emphasised the need for close coordination of EU policy with US policy – provided the US resumed a political (not simply a security-agenda) role in the conflict.

As for the EU, there could be an advantage in providing greater responsibility to Javier Solana, not least in terms of exploiting the “Taba acquis”, in case a peace process resumed.

Anthony Cordesman (Arleigh A. Burke Chair in Strategy, CSIS, Washington, D.C.) underscored the fact that only countries (or organisations) which are direct players in the Middle East will be taken seriously. This is demonstrated inter alia by the fact that regional tolerance (or support) of US operations against Saddam Hussein’s regime would be more important than European attitudes. He emphasised the scope of security challenges: CW (notably 4th generation agents not necessarily covered by the CW convention) and BW attacks had to be expected. Such prospects implied a high degree of international cooperation in a broad range of fields. Nor was the world’s dependency on Middle Eastern oil going to diminish, with the Gulf’s share of oil exports set to rise from 45% in 2002 to 60% in 2020. Most of this consumption will result from Asian demand, and will entail increased reliance on maritime transport through the Straits of Hormuz. Middle Eastern demographics were insufficiently taken into consideration, notably in light of the enormous pressure building up in hyper-urbanised and alienated societies; in parallel, economic growth a number of countries (Morocco, Tunisia…) continued to be more dependent on rainfall patterns than on macro-economic factors.

A political settlement between the Israelis and the Palestinians would simply not be possible along 1967 borders; rather, it could look like Taba but with non-territorial issues (such as water) thrown in. He did not expect the US to resort to any major economic pressure against Israel, even if the latter crossed “red lines”.

Vitaly Naumkin (President, International Center for Strategic and Political Studies, Moscow) concurred with the assessment that Sharon was basically interested in military solutions. On the political side, the Abdallah Plan would have zero chances of being accepted in Israel if the

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issue of refugee return was included at the Syrians’ insistence. As far as military operations in Iraq were concerned, he voiced the fear of regional instability unless the Americans could succeed rapidly in working with the central Baghdad power structure; he noted Saddam Hussein’s attempts to entice the Russians by offering an “oil for debt” scheme (Iraqi oil exported under the Russian flag to repay Iraq’s debt to the USSR): this was unlikely to work.

In the debate, the issue was raised of a broadening of the Israeli-Palestinian conflict to other countries as well as of the implications of the conflict for possible US operations against Iraq. The risks of an extension of the conflict were considered as limited, given the military weakness of Syria, Egypt and Jordan, notwithstanding the precedent of 1967 in which Jordan was forced into a war it didn’t want. Conversely, it was pointed out that the US would have extreme difficulty in operating from the Middle East if Israel pursued its operations, notably to the point of engaging in forced relocation of population. The likelihood of ethnic cleansing, up to the Jordan river, was low, notwithstanding Sharon’s longstanding support for a Palestinian entity lying on the east of the River Jordan. However, forced relocation within the West Bank was another matter, since there was little chance that Israel would return to the 1967 borders; indeed such transfers were already occurring in the name of security measures.

Close attention was paid to the prospects of re-launching a peace process. Here, converging views were held concerning the failure of incrementalism: in particular, the “7 day cease-fire clause” – as a preliminary first step – was denounced, since this made everyone a “prisoner of the last extremist”. In effect, the outlines of a potential place settlement were well known (notably since Taba): these had to be revived, and “shoved down the throat of the contenders” by the outside world, not least the US and the EU [see on this score the subsequent op-ed piece by Gareth Evans in The International Herald Tribune of 10 April 2002].

The EU could benefit from its good positioning vis-à-vis the Palestinians. Conversely, it wasn’t entirely clear whether the EU’s role was aided or hampered by the diversity of its institutional forms of presence (Commission, CFSP, member states, etc…): for some this created flexibility; for others, this variety betrayed lack of agreement between EU actions.

In any case, the US and the EU simply had to try and try again, since there was no way of telling in advance when the “magic moment” had arrived for a successful re-launching of the peace process. One of the intrinsic difficulties of any peace process is that the Israelis are faced with the prospect of relinquishing physical assets (land, water) in exchange for intangibles (recognition, security cooperation). Nonetheless, Israel has a vital need of recognition as its permanent place in the region: the reality of demographic trends is inescapable.

Consideration was given to the new dynamic of confrontation. Rather than a straight religious “Muslim versus Jew” confrontation, the Israeli-Palestinian conflict could be drifting towards “Bosnification”, i.e. an ethnic/national confrontation (albeit with religious overtones) akin to what has occurred in Bosnia, with Israeli Jews against Arabs (including Christians).

Concerning the evolution of the Palestinians’ situation, the prospect was raised of Palestine becoming a failed state even before it was born. In any case, the competition for the succession to Arafat was in practice open, with on the one hand the “old guard” (Abu Ala, Abu Mazen…) and on the other the “new guard” (e.g. Marwan Barghuti). These potential successors tend to be more, not less, nationalistic than Arafat, but they were, in its time, in favour of the Oslo process. Palestinian terrorism, whatever its other characteristics, was not at this stage a “terrorism with a global reach”; and although this was faint consolation, there was none of the narcotics or kidnapping-for-money incidents present in the current violence.
Finally, the broader regional context was reviewed. On this score, it was noted that Saddam would have little incentive to accept international inspectors (whose task it is to help prevent Iraq from developing weapons of mass destruction), if the operative US objective were the overthrow of the dictator, come what may. In contrast, it was pointed out that the risk flowing from Iraqi WMD in terrorist hands was substantially greater than anything resulting from the Israeli-Palestinian confrontation.

On the economic level, and independently of the Iraqi situation, the view was expressed that little is to be expected from regional economic integration as a force of progress: there isn’t enough complementarity between the various (mostly rentier) economies of the region, and the economic barriers between each country are inordinately high.
hereas in July 2000, the Middle East Peace process seemed near completion – at least on the Israeli-Palestinian track – two months later, violence engulfed the region showing just how fragile the achievements of one decade of negotiations were. Although the situation has not given way to a full-scale war, the current “low-intensity conflict” has already cost a high price to both parties in human, economic and diplomatic terms. This will leave deep wounds, which will not be easily cured. The prospects are rather grim: violence is not on the wane, but rather expanding; the descent to regional war, even if it is more through insidious deterioration than through choice is still looming ahead. In this paper we will look at three things: Arafat’s and Sharon’s current political positions, the most probable scenarios concerning the evolution of the situation and a possible European role in the region.

Arafat and Sharon’s political position

Shut up in Ramallah since December 3rd, head of a Palestinian Authority that has been undermined by the continuous assaults of the Israeli army and demonised by Israel, the Palestinian leader seems to have lost the game and more and more people are waiting for the post-Arafat era. Although it would be hazardous to speculate on his political fate, it seems indisputable that Arafat’s political weakening is partially the consequence of a failed strategy and of tortuous tactics. I do not share the argument, largely spread by Israeli officials and analysts, according to whom Arafat was the initiator of the al-Aqsa intifada, but I do think that he tried to capitalise diplomatically on it. His aim was to involve directly the international community in the management of the crisis, hoping that it would lead to an internationalisation of the solution. This hope proved to be wrong. Arafat was able to secure the rhetorical support of his natural allies, the Arab and Islamic world, but unable to get an internationalisation of the crisis (through the sending of international observers). Indeed he badly misread the international scene, overstating Europe’s influence and the new American administration’s willingness to find a way out of the crisis.

On the tactical level, Arafat had contradictory objectives. On the one hand, he approved at least tacitly the use of arms because he saw in this guerrilla a way to give a freedom of action to the “generation of the first Intifada” among his own Fatah movement. Thus he was able to get a new legitimacy as leader of the Palestinian resistance. On the other hand, he wanted still to be recognised by the international community as the chairman of the PA and the sole accountable interlocutor. Thus the recurring calls to a cease-fire and the arrests of Islamist militants and activists. This two-fold tactic rendered his message rather obscure and has confused the Israeli public. This structural ambiguity has objectively helped Ariel Sharon to throw discredit upon the Palestinian leader, equating him with Bin Laden. Sharon holds fast to his nationalist vision: he still thinks that Israel’s interest would be best served by the dismantling of Palestinian institutions which will weaken, it is hoped, the Palestinian national movement for years. He thought that, in the immediate aftermath of September 11th, the situation was ripe, but had to lessen his expectations when he saw that the Bush
administration choose instead to bind solidly the PA to the anti-terrorist coalition by endorsing publicly the prospect of Palestinian statehood.

Things changed in late November-early December after new suicide attacks against civilians inside Israel: this time the US was convinced that Arafat played a double game and considered that the reprisals against the Palestinian Authority – now defined as an entity supporting terrorism – were legitimate acts of self-defence. This American understanding has clearly played into the hands of Sharon’s aim to de-legitimise Arafat but has yet stop short of endorsing his definite toppling down. The American parameter is still putting some constraint on Sharon, which has also to take into account his Labour partner in the national unity government, which wants to maintain at least minimal contacts with the Palestinian side.

Three possible scenarios

Although it is rather difficult to decipher the future because the situation on the ground is quite complex, I would suggest three possible evolutions.

Without doubt the general trend of the last 17 months has been a growing militarisation of the conflict: on the Palestinian side, stones and cocktail Molotov have given way to more and more mortar shells, drive-by shootings and suicide bombings; on the Israeli side, to the shootings of snipers have been added “extra-judicial killings”, shells by tanks, bombings by helicopters and airplanes. However, even if Sharon has declared Arafat irrelevant, contacts between Israelis and Palestinians have never completely stopped at the security and political level (the most regular meetings are those between Shimon Peres and the speaker of the Legislative council, Abu Ala’a).

The most likely scenario in the short term is the carrying on of the “low intensity conflict” and on-going contacts. A progressive de-escalation that the EU (with Miguel Angel Moratinos and Javier Solana) and the US (with General Zinni) have tried to achieve during the last months is only possible if two conditions are met. First, a growing weariness of the populations coupled with an awareness of the deadlock of militarisation. In such a context the pragmatics in each camp (“old guard” of the PLO, left and centre figures in Israel) could take the lead. Such a change could only occur if a second condition is met: the outline of a political perspective. The Peres-Abu Ala’a initiative, which provides for the immediate establishment of a Palestinian state on the 42% of the West Bank already under total or partial control by the PA and the resuming of negotiations for a final settlement, is clearly such an attempt to refuel the political process. Unfortunately such a revival should overcome both Sharon and Arafat’s reluctance: the former thinks it is already too much, the latter it is too little. An exit from the current crisis will not be easy to manage because it requires a close synchronisation between lull of violence and diplomatic action.

The second scenario is the worst one. If the violence is growing (especially increase of suicide attacks inside Israel), the temptation to dismantle totally the PA will be irresistible. The aim would be to close the Oslo parenthesis by reasserting Israeli control over the West Bank and the Gaza Strip either by taking over directly the A zones or by putting Palestinian proxies into place. In a climate of hardened violence, Sharon will benefit from a double support for such an objective. Within Israel, the general mood will be one of “patriotic union”: if human bombs are blowing up in Tel Aviv and Jerusalem, the feeling that Israel is fighting for its very existence can only grow and with it the belief that the only way out is a complete military defeat of the Palestinians. In such a context Sharon who has already garnered an appreciable support from the Bush administration will get an ever-freer hand to act against the PA. At a time when an American power undertakes a wide fight against “international terrorism”, suicide attacks can only deepen US understanding for Israel’s own will to defeat terrorism (of
course, reduce the Palestinian struggle to its terrorist outbreaks is debatable but what interests us here is the fact that the terrorist paradigm is now part of a global vision largely shared by Israel and the US in the post-September 11th situation. However, the destruction of the PA and the re-occupation of the Territories would surely not be the end of the game: the Palestinian guerrilla would go on, at least for a while, with the Islamist groups (Hamas and Jihad) taking a leading role. This would barely be a blessing for Israel.

Finally, there is a third scenario. It implies that the Palestinians choose to restrict their attacks to the territories occupied in 1967, to the settlers and the soldiers. This trend was clearly noticeable in February but it is still too early to affirm that we are witnessing a strategic change. Let us assume it is. Even if Israeli leaders will still depict attacks on settlers and soldiers within the Territories as terrorist acts, they are clearly seen as acts of resistance by the Palestinians and get even a certain amount of understanding from the outside. Such a situation will not be without consequence within Israeli society: indeed, restricting the use of arms to the Territories will surely increase the internal rifts. The public statement taken, late January, by hundred of reservists who have stated that they will refuse to serve in the Territories because they do not want to support an immoral occupation is a clear indication that the purely repressive answer is openly challenged by some. These dissenting voices will become more numerous if Palestinians attacks are concentrated on the Territories. Indeed such a move will be interpreted as signalling that the Palestinian political aim is only to get rid off the occupation in order to build a Palestinian state besides Israel. A majority of Israeli Jews still think that it is, in the long term, may be not the best, but the less bad solution. Going in that direction requires from Arafat that he makes the utmost efforts to control the activities of the Islamist groups and that he hinders them from bombing civilians in Israel: ambiguity has to stop. If the Israeli-Palestinian confrontation is focused on the Territories, political options will become once again credible. A negotiated agreement specifying the terms and conditions of Israel’s withdrawal would be the best solution but if this way is closed, there is still another issue: a unilateral withdrawal. More and more people in Israel have put the idea forward, from the right to the left. The former minister of Foreign Affairs, Shlomo Ben Ami, has presented the most sophisticated account of this plan. For him, the land vacated by the army (80% of West Bank, last third of the Gaza strip) should be handed over to an American-led multinational force, which would also supervise the dismantling of the settlements. At the same time negotiations would start on the basis of the Clinton parameters, with the Palestinians, in order to organise the transfer of sovereignty to them. Of course, a unilateral withdrawal does not go without problems. One of the most acute is surely that it could reinvigorate the Lebanon syndrome i.e. be seen, as the Israeli withdrawal from south Lebanon (May 2000), as a sign of weakness and, thus, fuel hostility towards Israel rather than dampen it. However, despite its shortcomings, the unilateral option could rise on the top of the agenda if there is no diplomatic breakthrough in sight while violence goes on in the Territories.

The European role

We can discern three stages in Europe’s involvement during the last 18 months. During the first phase (September 2000-2001), the EU – as an entity or through its member states – was very active in order to set up a lasting cease-fire, first in coordination with the Clinton administration (Sharm el-Sheikh summit), than alone, as the Bush administration staid in the background. Good will was there but all the different attempts failed because the parties were unwilling or unable to stop the violence. On a more diplomatic level, the EU has kept through its high representative and special envoy continual political contacts with Israelis and Palestinians. Even if the practical outcomes have been limited, the EU has been right to do so.
Indeed political dialogue has in a time of crisis a virtue in itself because it prevents the constitution of a "bloc logic" which can only harden the confrontation.

Then came, September 11th, which opened a new phase. Attacked on its own soil, the US had no choice but to assume clearly a leading role on the international scene. This led to a renewal of a multidimensional presence whose Middle Eastern outcome was the conditional endorsement of Palestinian statehood by Bush and Colin Powell. The new American attitude was indeed welcomed by the EU, but Europe seemed so relieved to see the US back that it was content with a junior status. This retraction was eased by the immediate post-September, which saw the national logic prevail, as each «big» European country chooses to play it alone, diplomatically, and military, rather than foster cooperation with its European partners. This partly self-inflicted marginalisation of the EU as a community of nations was regrettable, even more so because the American insistence on the (legitimate) military fight against terrorism took a growing place on their agenda to the detriment of diplomacy. The prioritisation of terrorism had a direct impact on the Middle East: Arafat was de facto disqualified as an interlocutor as long as the Palestinian semi-underground groups were not totally disarmed and dismantled. Thus the US sided objectively with Sharon and his harsh reprisals tactics.

This reductio ad terrorem – obvious in President Bush’s State of the Union speech – has finally led the Europeans to a reassessment of their position: force cannot be the only game in town, politics matters. Here began the third phase (February). It has been characterised by a series of European proposals, which, although they differ in their details, have one thing in common: they aim at restarting a political process. The general framework has two pillars: new elections or referendum in the Territories in order to give a new legitimacy to the Palestinian leaders – immediate proclamation of a Palestinian state whose precise outlines will then be negotiated with Israel on the basis of UN Resolutions 242 and 338. This “stock of ideas” came up immediately against two major difficulties: enduring differences among the EU-15, with the UK and Germany insisting on the priority of security considerations (a recipe for inaction in my view because calm will not come through by miracle: a political “cover” is essential) – staunch opposition from the US and the Sharon government (except Shimon Peres) which are sticking to the Mitchell report and the prerequisite of seven days of complete calm. Even if the Europeans are able to bridge the differences between them, this new set of ideas has no chance to lead somewhere without an American assent which seems illusory. Does it mean that Europe is powerless? I don’t think so, but the EU should be much more resolute in using the means it has already as a civilian power.

Two questions have been singled out as worrying by the EU: terrorism and settlements. In both cases the EU has means to press hard on the parties. Europe has heavily subsidised the Palestinian Authority out of a right assessment: Palestinians need their own public institutions in order to carry out their self-determination right. Nevertheless, the PA cannot take this financial aid for granted; it is conditional on politically accountable behaviour. The EU has been clearer than ever by stating that the PA has to dismantle the terrorist networks of Hamas and Islamic Jihad and to prosecute suspects. If Arafat’s apparent good will does not materialise, the EU should make it clear that it will reduce the funds channelled towards the Palestinian institutions (not the population). Of course, Europe has to take into account the specific situation of the Palestinians as a people under occupation, but as a power committed to the rule of law, Europe cannot tolerate that a state in the being, financially backed by it, shows ambiguity towards para-military groups which perpetrates killings against civilians within a sovereign state.
On the Israeli side, the EU has repeatedly stated that the Jewish settlements in the West Bank and the Gaza Strip are major obstacles on the road to peace. It is high time for the EU to give an effective translation to its declarative diplomacy: the EU should strictly apply the "rules of origin" to the goods produced in the Territories and exclude them from the benefit of lower tariffs. Sure, the economic impact of such a measure will be limited but the Israeli leaders will not miss its symbolic meaning. The statement of the European Commission (November 2001), which specifies that the goods from the settlements cannot benefit from the preferential treatment included in the EU-Israel association agreement, should be applied without delay.

Coercion in the short term should go along with proposition for the medium and long term. Europe could have an eminent role in three fields: resumption of the negotiations; peacekeeping; long term solutions.

When serious negotiations resume, one question will inevitably arise: at what point renew negotiations? Should only signed agreements serve as a starting point? Legally yes; politically no. Proposals and ideas raised from Camp David (July 2000) to Taba (January 2001) cannot be pushed aside as if they never were on the table. They are part of an *acquis diplomatique* which the EU has been partly entrusted with keeping. Indeed, at Taba, the Special Envoy was the sole third party witness of the negotiations and he has kept a memorandum. This document will be of tremendous importance when negotiations for a final agreement resume.

Even when the violence stops, there is a risk -especially after such a bloody crisis – of relapse into violence. To avoid such a negative development, the EU, which has endorsed the principle of “third-party monitoring” should restate its readiness to assume an active role of peacekeeper. With a clear mandate and the cooperation of the parties in implementing it, a peacekeeping force would have a positive input. For Europe, such an involvement would perfectly suit its wish to have a military capacity. Indeed, crisis management (humanitarian tasks, peacekeeping, and peacemaking) has been explicitly included in the Amsterdam treaty and forms the backbone of the nascent European defence system.

Finally, the EU should play a greater part in the final status questions by suggesting creative solutions. In 1998, two working groups (Palestinian refugees, water) have been set up under the aegis of Mr. Moratinos. The documents presented within these informal groups should serve as a basis for defining a common European position. The fear expressed by some member states of interfering with the negotiations between the parties is baseless, not only because there are no negotiations today, but because when these difficult questions will be tackled it will be a positive thing that the EU’s position is known (after all, President Clinton forwarded also his proposals on the territorial basis of the Palestinian state, Jerusalem and the refugees in late December 2000). It might also be advisable for the EU to support second-track diplomacy.

These different steps would give more visibility and coherence to the European position towards the Arab-Israeli conflict. As in the Balkans, Europe can play a constructive role in the Middle East. This role is not contradictory to the one played by the US but complementary. It will be decisively enhanced if transatlantic links are strengthened in a more multilateral setting, an evolution that is however far from obvious today.
ne may cite several factors that seriously influence relations between Europe and the Greater Middle East (GME): economic interests (including one in the sphere of energy resources); the Mediterranean proximity; the demographic “link” (in particular, the presence in Europe of huge numbers of people from the countries of the Middle East); the need to neutralise threats coming from the region (proliferation of weapons of mass destruction and means of their delivery, religious extremism and international terrorism, the smuggling of drugs, weapons, uncontrollable population migrations, etc.); trans-Atlantic commitments (in particular, support for actions undertaken at the initiative and in the interests of the US); the existence of unsettled conflict situations in the region, the Arab-Israeli conflict above all; the necessity of assisting economic development and democratisation. The appreciably increased role of the European Union is combined with an increased weight of national governments, whose policies concerning the region as a whole, regional problems and individual states manifest, given the existence of national interests, naturally significant differences which, in the view of an observer from Moscow, somewhat decrease the efficiency of the all-European course. Trips by European states’ officials to the Middle Eastern region, as can be judged from the information being reported, do not fall within the framework of actions coordinated by the European Union (EU). Bilateral relations are generally of great importance, given the disparity of Europe’s Middle Eastern negotiation partners: in the Middle East one can hardly find two or three states that would successfully coordinate their policies in relation of the most pressing regional and global problems.

Certainly, the Middle East conflict is a key problem for all international players in the region. Russia, which inherited from the Soviet Union the role of cosponsor in the Middle East peace process, has in recent years displayed a tendency not only to cooperate more actively with Europe on the Middle Eastern issue, but also to recognise the EU role as an independent force which is able to make an important contribution to the settlement of the conflict between the Arabs and Israel. Sources in Moscow noted that the EU, though lacking an official cosponsor status, is nevertheless vigorously trying to participate in the resolution of the entire range of regional problems. The growing interest of the EU countries in the Middle East settlement, analysts in Russia believe, is explained both by the existence of substantial economic interests in the region, especially in the Mediterranean region, where the integration process is gathering momentum, and by regional security considerations conditioned by geographical proximity between the Middle East and Europe.

A change in Russia’s position in favour of a recognition of a greater role for the EU has taken place not only under the influence of the real situation vindicating this role and due to the desire for a rapprochement with the EU, but also due to certain disappointment, though implicit, about the potential of the format of the American-Russian co-sponsorship, which has proved unable to ensure a successful continuation of the Middle East peace process. A more robust independent policy by Russia is hindered by a number of limitations, first and foremost

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of a financial and economic character. In view of this factor, the EC’s economic role may be seen as especially significant.

For the EU, rendering financial and economic assistance to the countries of the Middle Eastern region is the key factor of influence on the peace process. As is known, the EU countries are the largest donors of the Palestinian National Authority (PNA). The volume of funding annually allocated by the European Union within the framework of economic assistance to the peace process, averages more than 810 million euro. Furthermore, the EU annually allocates to Syria, Lebanon, Jordan and Egypt (on a bilateral and multilateral basis) up to 610 million euro.

Within the framework of multilateral negotiations on the Middle East, the EU is the leading organiser of the multilateral working group on regional economic development, whose objective is the financial and economic support of the peace process and the encouragement of regional economic cooperation. Simultaneously, the EU is co-organiser of working groups on refugees, water resources and environment, most of whose subdivisions are supervised by individual European countries and the EU.

In the political sphere, the EU has reserved for itself the status of an “observer of the peace process” with the right of “rendering assistance in case of necessity for the realisation of the international agreements made between the parties.” The EU has till now considered its participation in it as supplementing the co-sponsors’ efforts, instead of running counter to it. However, European policy has recently been manifesting a growing independence. Some European initiatives are going beyond the framework of the cosponsors’ efforts, between whose positions there are also considerable differences, but there is a coordination of diplomatic activity and consensus on key elements (for example, the need to resume the peace process). It is significant that in Israel European policy is subjected to criticism as being pro-Arab.

In the “Israeli-Palestinian Code of Behaviour” (October 1997) and the “EU Appeal towards Peace in the Middle East” (December 1997), the EU countries defined their common position, whose major aspects are: the prolongation of the transition period in the Palestinian territories by one year; holding intensive talks on the final status during this time; support of the Palestinians’ right for self-determination, including the creation of their own state. On Jerusalem the Europeans’ position was formulated in the Statement of the European Union on the Peace Process in the Middle East (October 1996), which emphasised that the EU “confirms that East Jerusalem is a subject of principles incorporated in the resolution 242 of the UN SC, indicating the unacceptability of seizure of territories by force; consequently, they are not under Israeli sovereignty. The EU also stands for the necessity of renewed negotiations on the Syrian and Lebanese tracks of the Middle East peace process on the basis of resolutions 242 and 338 of the UN SC and on the basis of the principle of «land in exchange for peace.»

As is well known, 1996 saw the creation of the institution of a EU special representative on the Middle East peace process. Mr. Moratinos was nominated to this post in December 1996, and he is holding active consultations with all the parties involved in the conflict, and also with the co-sponsors of the peace process, and applying vigorous efforts for the resumption of negotiations on the Syrian-Lebanese sector of settlement. His activity is highly prized in Russia. In parallel, the EU Supreme Representative for Defence and Foreign policy J. Solana is working within the framework of the international Mitchell Commission formed in accordance with the decisions of the Sharm-el-Sheikh summit (October 2000) in order to find out the reasons for the new outbreak of confrontation.
At the EU summit in Laeken (December 2001) the Europeans also put forward a number of specific demands: on the PNA leadership – to liquidate the terrorist infrastructure of HAMAS and Islamic Jihad, to “arrest and punish the persons involved in terrorist activity, to make an appeal in Arabic to stop the armed intifada; to Israel – to withdraw its troops, to stop the practice of extra-judicial punishments, to lift the blockade of Palestinian territories, to freeze settler activity, and to stop hitting the Palestinian infrastructure”. The European Union, just like Russia, spoke for an immediate and unconditional implementation of the Tenet plan and recommendations of the Mitchell commission.

The EU foreign ministers’ meeting in Brussels (January 2002) for the first time put forward a position whose major component is that measures in the security field would be realised in parallel with political ones. This position was concretised in the plan of the peace settlement in the Middle East submitted by the French Foreign Minister Hubert Vedrine, which, in particular, provides for the return of the Israeli troops to the positions they held before the beginning of the 2000 intifada, the holding of democratic parliamentary elections, the proclamation of an independent Palestinian state and its recognition first of all by Israel, the holding of negotiations on the border question between Israel and Palestine.

On the whole, the French initiative was positively met by representatives of all EU member-countries at the meeting of heads of European foreign ministries in Caceres (February 2002). At the same time, analysts in Russia have noted that there are a number of divergences among the Europeans on key questions, in particular, on the problem of elections.

As is known, the French plan proposed to Yasser Arafat that he should call elections based on the principle of non-violence, but other European states did not support Minister Vedrine's plan. Joschka Fischer stated that elections at this stage can further radicalise Palestinian society. Britain was clearly opposed to any plan substantially out of line with the US policy. Spain was reported to seek a less ambitious plan than the French one. Thus both disagreements between the Europeans and the Americans, and the Europeans themselves obviously prevented Europe's more active role as a broker of the peace process.

In other words, as things stand today, the EU member-countries do not have a uniform position on the Middle East settlement. For example, the British Foreign Office supports the dominant American-Israeli approach, according to which it is necessary first to reach a complete cease-fire, and then resume the peaceful dialogue.

Russian Federation as cosponsor of the peace process generally welcomes any initiatives within the framework of the four international representatives (the Russian Federation, the US, the EU and the UN) and regards the EU as the important element of this group, and as one of the brokers of the peace process. However, the French initiative received a cool welcome by the Russian side, as Russia believes that the position which involves a simultaneous realisation of measures in the field of security and in the political domain to be unfeasible.

Nevertheless, the Russian vision of the situation in the Middle East does not run counter to the European one. Russia perceives Yasser Arafat as the legitimate leader of the Palestinian people and the Palestinian National Authority. His role as negotiator is still essential and he is still able to control the situation.

Events that followed September 11, have shown the role of US military power in resolving political tasks in the Middle Eastern and other regions from which threats to global security may arise. Europe, which does not have such power, cannot independently resolve such tasks with its assistance. The US, having been confronted with a real threat to its security, resolutely preferred to work unilaterally, and even such an efficient mechanism as NATO was
not necessary for the successful accomplishment of the antiterrorist operation in Afghanistan. The discontent shown by many EU member-countries with respect to US unilateralism, is basically in line with Russia’s sentiment. The subsequent march of events in the struggle against the sources of threats in the Middle East (WMD proliferation, terrorism, and so on) will show whether it will be possible to maintain and develop the international antiterrorist alliance.

In this respect, the position of the European Union on Iran and Iraq is seen as especially important. Well understanding that these countries are capable of acquiring a nuclear capability, the Europeans, as Russia sees it, have a common vision of how Iran has to be dealt with, based on engagement, not sanctions and isolation. More differences exist between the US, Europe and Russia, as well as between the Europeans themselves, on policy towards Iraq. Russia is opposed to the idea of a military action against Iraq to topple Saddam Hussein. The Russian government believes that this may destabilise the whole region. Russia thinks that the return of UN inspectors to Baghdad should be linked to the lifting of sanctions when an appropriate report is delivered by them. Wide disorder of opinions among the Europeans – from Heider who has recently made a visit to Saddam Hussein to the British who, jointly with the USA, are subjecting Iraq to bombardments, show the difficulty of forging a pan-European position.

Certainly, Mediterranean cooperation is an important element of European-Middle Eastern ties. Mediterranean partnership, the engagement of the Mediterranean states in the European processes, and economic integration will contribute to the stabilisation of the situation in the region.

The acuteness of the antiterrorist campaign and the continued violence in the Middle East have overshadowed many lines of activity in which the European countries in the past put forward useful initiatives. One may cite, in particular, work on designing the fundamentals of the future collective security system in the Middle East, based on inclusiveness and cooperative approach.

On the whole, on both the official and informal levels Russia sees a European role in the Middle East as that of an active partner which is able to effectively promote the economic development of the countries of the region, as well as to facilitate the settlement of crisis situations. The countries of the European Union lack a common position on a number of major problems, and this reduces the potential of their impact. It would be useful in the long term to make the Russian-European dialogue on the Middle East more active, and possibly to create a new mechanism for it.
e need to be very careful about labels when talking about such issues as the role of Europe in the Middle East. To begin with, the West does not deal with the “Middle East”; it deals with specific problems and contingencies that affect some 21 to 23 different nations that are located in an arc that reaches from Morocco to Iran, Yemen and Somalia.

There are at least four strategic sub-regions: North Africa, the Levant, the Gulf, and the Red Sea and the Horn. Roughly two-thirds of the states in the Middle East have borders or coasts that extend beyond the region, and problems and contingencies often cut across regional boundaries. This was the case when Libya invaded Chad, it is the case with the conflict in Afghanistan and the Western Sahara, and there are grey areas like Cyprus where a geographically Middle Eastern state is a longstanding source of political conflict between two members of NATO: Greece and Turkey.

There also is no “Europe” in the sense that European states share a common set of interests and priorities. Immigration and illegal labour, like drugs, are a common problem to some degree, but some European states have far more serious problems with the Middle Eastern aspects of these issues than others. The Mediterranean states are necessarily more concerned with developments in North Africa. There still seems to be considerable uncertainty in “Europe” as to whether Turkey is a European state, and Turkey has common boundaries with two major regional problems: Iran and Iraq.

All European states are dependent on global trade and the flow of oil imports from the Middle East, but again to different degrees. The Balkans are certainly part of Europe, but cannot be separated from the issue of Islam and related problems in the Middle East. Looking towards the future, if Russia and the states of Southeastern Europe are fully recognised as parts of Europe, the already blurred lines between the Middle East and Central Asia will become even more of an issue, and other European priorities will be added to those of today’s “Europe”. Moreover, some issues are Atlantic, some primarily involve the US, and some primarily involve Europe. Algeria is not Saudi Arabia.

These points are obvious at one level, but not at another. There is a tendency to assume that the best solutions are common solutions involving Atlantic or European unity. One demands that institutions such as NATO and the EU should be able to take common action, often without thinking out the consequences. Political leaders and diplomats call for common consultation, often with an implied veto by those to be consulted or an implied view that Atlantic or European coalitions are more important than regional coalitions. Military planners and strategists talk about the need for common capabilities and unified power projection forces without defining the contingency or the mission capabilities that are needed.

Given this background, the primary answer to the question of what role “Europe” should play in the “Middle East” is that it should play a pragmatic one in which different mixes of European states bring different mixes of capabilities to an issue and actively work towards a viable solution. There will be times when action should occur on a NATO or EU basis; there

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will be many – if not most – times when it should not. There will also be many times when action will be “Atlantic”, and involve the US and a limited number of European states.

The second intifada, Iraq, the proliferation of weapons of mass destruction and the war on terrorism are all very complex issues and they are only part of the issues that Europe must deal with. If “Europe” is to play the right role in the “Middle East”, it will have to play the equivalent of three-dimensional chess and do so with the equivalent of twenty or more players on the “European” side. There will be many cases where US action must focus on regional coalitions with Middle Eastern states, and where planning and operations cannot depend on US consultation or common action that is “Eurocentric” in character. This is not an excuse for American “unilateralism”, but it is a reality that serious consultation only involves players in the game, not those who sit on the sidelines.

The Priorities for “European” Action: Looking Beyond the Military Dimension

Many of the most important roles that Europe can play will not be military. Energy is a case in point. Both US and European forecasts call for massive increases in OPEC production, the vast majority of which must come from the Middle East and the Gulf. The Persian Gulf, nations are expected to be the principal source of marginal supply to meet increases in demand. The US Energy Information Agency (EIA) projects that OPEC production will be over 57 million barrels per day by 2020 (almost twice its 2000 production) in its reference case. It will be 45 million barrels in the high price case, and 67 million in the low price case. (The forecasts of total world demand for oil range from about 125 million barrels per day in the low price case to about 115 million barrels per day in the high price case.)

The sheer scale of the shift in global dependence on Middle Eastern oil exports and Europe like the US is dependent on the global economy and the global flow of oil exports to meet national demand) is illustrated by the radial shifts that are predicted in dependence on the Persian Gulf. The EIA reports that the historical peak for Persian Gulf exports (as a percent of world oil exports) occurred in 1974, when they made up more than two-thirds of the crude oil traded in world markets. (The most recent historical low came in 1985 as a result of more than a decade of high oil prices. Less than 40% of the crude oil traded in 1985 came from Gulf suppliers. Following the 1985 oil price collapse, the percentage of Gulf exports began a to increase gradual, but tapered off in the 1990s at 40 to 50% when non-OPEC supply proved to be unexpectedly resilient.)

The fact that 66% of the world’s proven oil reserves are in the Persian Gulf (25% in Saudi Arabia alone), and well over 70% are in the Middle East, has steadily changed these figures since that time. The EIA now estimates that Gulf producers will account for more than 45% of world-wide trade by 2002 — for the first time since the early 1980s. After 2002, the Gulf’s share of world-wide petroleum exports is projected to increase gradually to almost 60% by 2020. In the low oil-price case, the Persian Gulf’s share of total exports is projected to exceed 67% by 2020. All Gulf producers are expected to increase oil production capacity significantly over the forecast period, and both Saudi Arabia and Iraq (assuming the lifting of United Nations export sanctions after 2002) are expected to nearly triple their current production capacity.1

The expansion of productive capacity will require major capital investments and political stability or at least enough stability to allow the oil and gas sectors to operate. The tension,

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poverty and demographics of the Middle East, however, ensure that stable energy development, production and exports will raise major problems concerning political stability, asylum, terrorism and immigration. This means that Europe must play a critical role in trade policy, development aid and energy investment, and the realities of world politics and the world economy are such that Europe must play a role that is far greater than its proportion of dependence on Middle Eastern energy imports.

The non-military role of Europe must extend into several critical areas of diplomacy, investment, trade and aid:

- **The second intifada and the Arab-Israeli peace process.** The events of September 11th have demonstrated all too clearly just how important progress is in the Arab-Israeli peace process, and how vital it is for both the US and Europe to take visible action to prove they will do everything possible to bring an end to the second intifada. It is far from clear that there is any near-term solution. Some US strategic planners and intelligence experts see this as an enduring conflict where the US must plan for 4-10 years of continuing struggle and episodic crises with no good end in sight. The fact remains, however, that both the US and Europe must try to help bring an end to this conflict and to do so regardless of reversals and success. It is also clear that Europe can play a more “pro-Arab” role than the US, although taking sides is scarcely the road to success. The EU and several European states have already played an important role and they must do even more in the future, as well as strengthen aid programs. If nothing else, this can help defuse the impact of the Second Intifada in fuelling the broader tensions between Islam and the West.

- **A European Focus on North Africa.** The US can invest in North Africa, improve its relations with Libya, and play a useful role in conflicts like the war between Morocco and the Polisario. The Maghreb is, however, a largely European area of interest. It is a largely self-inflicted wound in political, economic, and demographic terms and – like all of the Middle East – change and reform must come largely from within. Europe, however, can and must play a critical role in leading the outside aid effort.

- **Supporting Political and Economic Stability:** The military security of the Gulf is, and will remain, a largely US concern. The political and economic stability of the Gulf, however, is an area where Europe can and must play a critical role. The southern Gulf states all need foreign investment and help in development. Population growth has turned oil wealth into the threat of oil poverty and a youth explosion has led to 30% real unemployment among Saudi young men. The primary struggle for Gulf security is now one for Gulf development.

- **A Distinctly European Role in Diplomacy and Investment.** Europe can play a number of diplomatic and investment roles the US cannot. Despite all the talk of an “evil axis”, the West must still deal with Iran and Iraq. This may mean the US is locked into a role of containment and military action, but if the US must play the role of “bad cop”, Europe can play the role of “good cop”. The European dialogue with Iran, and Europe’s willingness to invest in Iran in spite of US sanctions law like the Iran-Libya Sanctions Act is a case in point. Similarly, Europe can help take the lead in helping the Iraqi people by adapting “oil for food” and sanctions and investing in oil production and development. This does not mean European tolerance of Iranian and Iraqi proliferation, extremism and terrorism, or their action against Israel. It does mean that there are times when a divided or dialectical Atlantic approach is much better than a unified one.

- **The Problem of Iraq.** The Bush administration has delayed, not avoided, a major military confrontation with Iraq. As best, this means there must be a highly visible roll-back in
Iraqi missile efforts and development of weapons of mass destruction. It may mean major US strikes on the Iraqi leadership until it is forced from power if there is any firm evidence linking Iraq to the attacks on the US or if Iraq carries out any significant military adventure or supports terrorist activity on any of its borders or against the Kurds.

Some European countries have tended to underplay this threat or the dangers Iraq poses. The US may or may not be overreacting. It is vital, however, that a quiet transatlantic dialogue take place on this issue as soon as possible.

There may – at a minimum – be a need for a common statement that neither Europe nor the US will tolerate aggressive action by Iraq, and that any such Iraqi action will lead to war. At the same time, this approach would require the US to cooperate with Europe in looking beyond “smart sanctions” to “wise sanctions”, and finding ways to offer the Iraqi people more help on both a humanitarian and development basis.

The other case is planning for the contingency of war in ways where the US avoids unilateral action, where some common set of requirements or red lines are established for defining what kinds of Iraqi conduct would lead to military action, and some common effort is made to define the post-conflict roles Western states should play in helping Iraq create a stable and moderate regime. It is always easy to go to war, and it may even be possible to win one relatively quickly. Winning a peace on both Iraqi and regional terms will be far more difficult.

• **The Problem of Iran.** If Europe has tended to understate the problem of Iraq, the US has overstated the problem of Iran. Even before President Bush used the phrase “axis of evil”, the acute divisions in Iran probably made it impossible to create any kind of formal US-Iranian relations. It may, however, be possible for the Bush administration to allow Europe to take a more aggressive approach to investing in Iran with the certainty that ILSA will be avoided with waivers. Similarly, continued European support of any form of US and Iranian dialogue will be of value.

• **Ensuring Turkish Development.** Only Europe can ensure the economic stability and development of Turkey, a strategic priority whose importance is often understated because of Turkey’s part and current willingness to be a bridge between Europe, the Middle East, Central Asia and the Islamic world. It is worth pointing out here that Cyprus may primarily be a humanitarian issue in purely European terms, but is a strategic issue in the broader context of the Middle East.

• **A European Role in Afghanistan, Central Asia and the Caspian, the Horn and the rest of the Red Sea States.** These states are more peripheral problems and it will be impossible to develop any concerted approach. The role of individual European states will be critical, however, in aiding development and political evolution, and minimising the problem of cultural conflicts, extremism and terrorism.

**The Priorities for “European” Action: The Security Dimension outside the Middle East**

No matter how successful the US and Europe are in dealing with the problems in the Middle East, they will still have to deal with the problem of terrorist and asymmetric attacks inside the US and Europe. The end result is that some of the most important security actions that Europe can take in dealing with the Middle East will have to be taken either in Europe or on an Atlantic basis. To be specific, the problems and tensions in the Middle East require the following steps on the part of both Europe and the US:
Institutionalising Cooperation in Counter-terrorism

Parallel, lasting, and well-institutionalised efforts will be needed in intelligence, counter-terrorism, law enforcement and related activities such as customs, coast guard and port control. Some clear decisions will be needed about the relative role of NATO and the EU versus national action, and the creation of new agreements to detail cooperation and set standards for the West. The role of Interpol will also need re-examination.

Developing a New Approach to Biological Attacks

The West needs to rethink internal security planning, public health, response and defence efforts to deal with the broad range of CBRN threats. The treatment of hoof and mouth disease and “mad cow” disease is almost a model of how not to deal with such cooperation, and a warning of how much more effort is needed.

Particularly within Europe, there may well be a need for integrated response plans that can rush capabilities from one country to another, and deal with any kind of outbreak of human and agricultural disease. Transatlantic efforts to stockpile vaccines and antibiotics, develop common travel and quarantine procedures, develop common warning and public health approaches could prove critical in treating and containing an emergency. Cost-effectiveness would also be a critical issue.

Creating Common Approaches to Information Warfare and Defence

Efforts have already been made to cooperate in fighting cyber-crime. A dedicated NATO effort to deal with cyber-warfare, backed by clear commercial standards for data protection, liability, recovery capability and other defence measures could be equally critical.

A Transatlantic Approach to Transportation, Hazardous Materials, High-Risk Facility and Critical Infrastructure Security

The US and Europe should pursue the creation of common security standards for air, road, rail, and maritime traffic, air port security, port security, security for containers ports and shipments, energy and hazardous material shipments. Some common standards for the protection of key commuter facilities e.g. subways, critical infrastructure facilities like nuclear power plants, plants producing or storing large amounts of hazardous materials, and key public facilities and government buildings may also be needed.

Rethinking Insurance Laws and Regulations

Some form of a common approach to insurance, best practices, liability and other risks needs to be examined. International insurance and the handling of common risk pools could be critical to limiting costs.

Rethinking the Problem of Immigration and Human Rights

Immigration has long been seen largely as a national problem, and not a global security problem. At the same time, few Western nations have attempted to fully analyse the trade-offs between the need for additional labour to compensate for their aging work force, the cultural impact on their society and the need to preserve human rights and tolerate cultural diversity.

It may well be impossible to develop anything approaching a common strategy to dealing with immigration and security, but the West should at least try. A purely national series of efforts is unlikely to meet either security or human needs and is likely to exacerbate tensions between the West and the Islamic world.

Rethinking Foreign Assistance and Outreach Programmes in the Light of Terrorist and Asymmetric Threats

It is at least possible that the West may blunder into a clash of civilisations with the Islamic world by default. There is a clear need to coordinate better on information programmes, foreign aid and every other aspect of outreach activity to try to bridge the growing gap between the West and Islamic world.
• **Rethinking the Problem of “Globalism.”** While the relationship between the West and the Islamic world is part of the structural problem of terrorism, the West needs to look further and be equally aggressive in making the case for global economic development and growth. The next set of terrorist attacks could have a very different cause and come from a different part of the world.

   The growing tension over “globalism” – which is a reaction to many different patterns of change – illustrates the broader problems that North-South tensions create. In the process, the West needs to look for alliances with the successes in the developing world and pay close attention to the “tigers”, China, and to joint efforts with long-developed Asian powers such as Japan.

• **Reshaping the Expansion of NATO and Partnership for Peace.** Both the US and Europe need to re-examine the role of Russia and non-NATO states in security cooperation in the light of the problem of terrorism and asymmetric warfare. It may now be possible to cooperate in new ways, and the incentive for such cooperation seems much stronger.

• **Rethinking Arms and Export Controls.** Much of the transatlantic debate over the CW, the ABM Treaty, BWC, and CTTBT has avoided coming to grips in detail with the threat of asymmetric attacks and terrorism, and has a heritage of focusing on large-scale conventional war-fighting.

   The same has been true of export controls. A joint effort at a comprehensive review of how to change arms control agreements and export controls – looking at the CBRN and advanced technology threat as a whole – is needed to develop a more effective common strategy.

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**The Priorities for “European” Action: The Military Dimension inside the Middle East**

The military dimension of Europe’s role in the Middle East is not unimportant, but it should be clear from the previous analysis that it is not the dominant role that Europe should play and that NATO, the EU and European capabilities should not be judged in terms of creating Eurocentric military coalitions or new European military power projection capabilities. There is a European tendency to act as if the fact that the US is now the “world’s only superpower” in terms of global military power projection somehow sets the standards and priorities for strategic action, and that what the world needs is another “world’s only superpower” in the form of Europe. It is far from clear that this is the case.

The Gulf war and the Afghan conflict have shown that even a limited military contribution from European states and NATO can have tremendous political value. The long-standing strategic relationship between Britain and the US in the Gulf, and again in Afghanistan, has shown how important limited coalitions can be in showing Western solidarity and reducing the image that the US is acting in isolation and as some form of “neo-imperialist”. In all frankness, the role of those European nations that choose to play an active role in US-led military actions in the Middle East has also helped temper an American tendency to overreact – or at least overstate. It has also often forced the US to at least pay far more attention to opposing views and different options.

At the same time, there really seems to be no practical prospect that Europe will either produce a true war-fighting, power projection force capable of fighting a major contingency in the Middle East for at least the next decade, or any coherent NATO or EU approach to force modernisation that will give more than select elements of a few national military forces anything like parity with US forces. In spite of the endless exhortations for such forces (on
both sides of the Atlantic), the desirability of the unobtainable is a moot point. Worse, it tends to distract both Europe and the US from what Europe can and should really do.

Barring an all-out war for the security of the Gulf, involving threats that do now not exist, “Europe’s” key military roles in the Middle East will be to assist individual friendly states in dealing with internal and low-level conflicts as was the case in Chad, to help in peacemaking and nation-building exercises, and to assist the US in adaptive coalitions where the US must – as was the case in the Gulf war and Afghanistan – give primary attention to regional alliances with Middle Eastern states.

NATO can play a critical role in providing a forum and infrastructure base for such European action, but it is important to note that such roles and missions do not require cohesive NATO or EU action or broad technological parity with the US. They do not require European airlift, air combat, naval, or amphibious capabilities on a par with the US. They do not require independent corps and multiple air wing-sized power projection forces. Indeed, the fact that “mission unfundable” is “mission impossible” will often be irrelevant.

What such operations do require is a willingness to commit peacekeeping forces to missions that involve casualties. It means rethinking a large number of current arms sales efforts to looking beyond profiteering and transform them into serious military and security assistance efforts with equally serious efforts to at least reduce the endemic corruption and dishonesty in European arms sales to the American level – which is scarcely beyond reproach. It means taking a truly serious look at the need to expand the role individual European states play in helping Middle Eastern states improve their intelligence and internal security operations.

At the same time, it means rethinking individual national force plans so that the emphasis on grandiose and unobtainable levels of force improvements are replaced with practical efforts to develop force elements that can be projected into the Middle East on a national level in a form that is fully interoperable with US and regional forces and that does not end up in diverting more US C\(^4\)ISR/BM/BDA (command, control, communications, and computer/intelligence and strategic reconnaissance/battle management/battle damage assessment) and logistical resources than the contribution is worth. The fighting in Afghanistan has shown that properly trained European Special Forces can be worth at least as much as heavy armour in some contingencies. The Gulf War showed that the European lead in mine warfare forces could be of critical strategic value.

While the Gulf and Afghan wars have shown the value of extremely expensive US satellite and UAV, command, control, communications, and computer, intelligence and strategic reconnaissance, and battle management systems that Europe cannot afford to duplicate, they have also shown that properly configured modern European attack aircraft can fight very effectively using US capabilities if they have the right secure communications, data links, and laser or GPS-guided weapons. In short, if the issue is how to play a useful role – rather than achieve technological parity – there are affordable solutions to creating many needed mission capabilities.

More broadly, if European nations are willing to focus on the military art of the fundable and the possible, there are three other areas they need to examine in terms of both potential military missions in the Middle East and supplementing them with new approaches to arms control and counter-proliferation:

- *Force Transformation and Asymmetric Warfare.* The US Quadrennial Defence Review calls for transforming US forces to fight asymmetric warfare and perform homeland defence tasks. The need may be equally great for Europe. The US emphasis on force
transformation for asymmetric warfare is still nascent and in the process of being transformed into practical concepts and force plans. European nations should, however, look closely at the new US force plans that will come out of the Quadrennial Defence Review and Nuclear Posture Review, and see what new concepts are practical and needed. It may be that Europe can sometimes leapfrog over the past emphasis on heavy and high-cost power projection and find cheaper or high-priority answers to European force development. One solution might be a new NATO Force Planning exercise that looked beyond both the US focus on power projection outside of Europe, and the narrow limits of the European Self-Defence Initiative, and explored common approaches to these tasks.

- **Rethinking Arms Controls.** As stated earlier much of the transatlantic debate over the CW, ABM Treaty, BWC, and CTBT has avoided coming to grips in detail with the threat of asymmetric attacks and terrorism, and has a heritage of focusing on large-scale conventional war fighting. Arms control is a means to an end, not an ideology, a form of morality, or and end in itself. The US may well be too deeply involved in some of the operational threats involved to take a truly innovative look at what is really required to change today’s approach to arms control and specifically to create real-world approaches to transfers of conventional arms, long-range delivery system technology, and the proliferation and the development of chemical, biological, radiological and nuclear weapons.

- **Anti-Proliferation, Export Controls, Deterrence and Retaliation.** The US is committed to active counterproliferation in terms of offensive capabilities and defences like theatre ballistic missile defences. These are extremely expensive capabilities. Prevention, however, is far cheaper, if scarcely enough. Europe not only can do much more to control its own exports, it can do a great deal to refocus its intelligence efforts and to increase its diplomatic efforts to persuade key nations like Russia and China to crack down on their own suppliers. A joint effort at a comprehensive review of how to change arms control agreements and export controls – looking at the CBRN and advanced technology threat as a whole – is needed to develop a more effective common strategy.

More broadly, however, the US and Europe should at least consider cooperation in creating a form of extended deterrence and military retaliation against any nation that uses weapons of mass destruction against a nation without such weapons, or aids or tolerates a terrorist movement that uses such weapons. At least on the part of the US, this should involve the tacit threat of escalating to the use of nuclear weapons. Arms control and well-meaning security agreements are probably not going to be enough. Limiting the worst forms of asymmetric warfare and terrorism are going to take sticks as well as carrots.

**The Need for Difference, Disunity, and Dialectics**

In summary, the most useful role that Europe can play in the Middle East is to not be the United States, to not seek an impossible European or transatlantic consensus, and to not attempt to create European military capabilities that are broad copies of American forces. Far too much of the dialogue on Europe’s role in the Middle East either focuses on how to critique American policy rather than refine European policy or on how to replicate US military capabilities or build impossible European institutions rather than determine what European capabilities are both affordable and needed. As we say in English, the eternal lingua franca of Europe, *vive la difference!*
Dealing with Complexity: The Range of Major Issues in the Middle East and Best and Worst Cases

The “Clash within a Civilisation”?

Western fears of a clash between civilisations are only a side effect of the struggle within the region to modernise its political structure, economy, social structure and Islamic practices. Economic progress has lagged behind population growth for nearly a quarter of a century, threatening to turn oil wealth into oil poverty and sharply lowering living standards in many states. Governments have talked and not practised economic reform, and have failed to modernise and open-up political systems.

A massive youth bulge is only beginning to create critical unemployment problems and the percentage of young men and women in the labour force will increase for at least two decades because of population momentum. At the same time, hyper-urbanisation and population mobility are destroying traditional social safety needs, while the modern media publicise the region’s weakness and constantly portray secular wealth many citizens can never obtain. The end result is to drive many back towards religion and some towards an Islamic extremism that is at least as much anti-change and anti-regime as anti-western.

The Best Case

Most regimes and pro-reform/pro-modernisation elites finally face the fact they are dealing with an enduring crisis that only they can solve. Economic reform plans are actually implemented. The need for birth control is recognised and acted upon. Educational systems are modernised to create job skills. Moderate Islamic scholars meet the challenge from Islamic extremists. Political systems are liberalised enough to create a rule of law, stable structure for economic development and broader popular participation. It is a close race between reform and regression, and the race is lost in some countries. In broad terms, however, the more progressive forces win.

The Worst Case

Regional elites continue to talk and not act, and export the blame and responsibility for their problems. A systemic mix of economic and population problems creates massive internal instability. The West gets much of the blame, but effective political leadership, economic action and modernisation become impossible. Moderate Islamic leaders continue to temporise and avoid coming to grips with extremists. The end result plays out differently in each state, but the cumulative result is structural economic collapse and political turmoil with no near-term prospects of progress.

The Impact of the Arab-Israeli Conflict and the Second Intifada

The struggle between Israel and the Palestinians and the broader struggle between Israel and its Arab neighbours is only one factor fuelling regional extremism, resentment of the US and the West, and terrorism. It is, however, a critical one. If Arab leaders sometimes use it as a scapegoat or distraction for their own failings, it also remains a real human tragedy for Israeli and Arab alike.
The Best Case

An early return to serious peace talks and to the terms of Tabah and Camp David seems impossible. The second intifada may well drag on for several years in some form, and escalate sporadically even under best-case conditions. Sheer exhaustion and frustration, however, eventually force changes in political leadership in both Israel and the Palestinian Authority and leads Syria to face the need for real-world compromises. Israel, the Palestinians and Syria edge back towards negotiations. They finally reach a series of compromises that are unpopular on all sides but which all sides can live with. Peace, however, is still based on anger, distrust, and sometimes hate. Violence without peace is replaced by peace with some level of violence.

The Worst Case

Three failed leaders – Sharon, Arafat and Assad – slowly drag their countries into a steadily escalating conflict. Israel responds with a policy of forced separation, pushing Palestinian out of some areas and leaving them without an economy and the shell of a state. The Palestinians acquire longer-range weapons. Jordan is destabilised and becomes anti-Western, anti-peace and pro-Iraqi. Egypt distances itself from peace and from the US. Nuclear and biological sabre-rattling becomes a constant pattern. Syria and Iran expand their support of extremists and use of proxies in a low-intensity war. The US and the West get much of the blame, and terrorism becomes a constant fact of life.

Saudi Arabia and the Southern Gulf States

Events since September 11\textsuperscript{th} have created major new tensions between the West and the Gulf states and particularly between the US and Saudi Arabia. They have also exposed the degree to which Saudi Arabia must take urgent action to diversify and privatise its economy, deal with its massive population problems and youth bulge, modernise its education system and implement Saudisation, and come firmly to grips with the need for religious modernisation and cope with Islamic extremism.

The Best Case

The US and Saudi Arabia realise that military disengagement and political feuding are no substitute for forging a more effective partnership. Crown Prince Abdullah and President Bush concentrate on creating a new strategic partnership. Saudi Arabia aggressively implements its economic reform plans, efforts to diversify and privatise its economy, and efforts to encourage economic reform. The educational system is reformed and the regime comes firmly to grips with the need to oppose Islamic extremism and terrorism while maintaining its religious legitimacy with the moderate Ulema. Political reform keeps pace with the evolution of Saudi society.

The Worst Case

The US and Saudi Arabia reach the point where the US largely disengages in military terms, creating a power vacuum in the Gulf, leaving Saudi Arabia without effective military advisors and technical support, and making effective cooperation in counter-terrorism impossible. Saudi efforts at economic, population, educational, religious and political reform falter and create growing internal instability. The Saudi regime falls, along with progressive technocrats and businessmen. The result is a weak, extremist Saudi Arabia that cannot achieve the level of investment necessary to expand oil exports to meet world demand.
The Impact of Iran

Iran is not "evil" but it is deeply divided between religious hard-liners and more moderate elements. It is a major proliferator and has significant capabilities to threaten and attack the flow of oil through the Gulf. It is committed to supporting anti-Israeli movements. At the same time, its internal economic problems threaten its stability as an oil exporter and ability to attract the outside investment and technology it needs to maintain and expand energy exports.

The Best Case

The moderate factions in Iran slowly win their long political battle with the hard-liners and extremists. Iran carries out serious economic reform and restructures its energy sector to attract large-scale foreign investment. Proliferation is cut back and major CBRN forces are not openly deployed. Iran seeks regional stability and peaceful political influence. Its opposition to Israel is reduced to political opposition and it accepts an eventual peace settlement.

The Worst Case

Moderation and a significant degree of democracy fail because the hard-liners successfully block reform, assert their power over the internal security apparatus and drag Iran into conflicts with the West, Israel and Iran’s neighbours both as a means of mobilising the state and out of conviction. Iran supports terrorism and expands its arms shipments to Palestinian and Lebanese extremists. It openly proliferates and used its missiles and CBRN capabilities to open threaten its Gulf neighbours, Israel and US forces in the region. It expands its maritime and air threat to Gulf shipping to use it as a further means of politico-military leverage.

The Impact of Iraq

More than a decade since the Gulf war has left Saddam Hussein’s regime in power, left a still powerful conventional military machine in being, left Iraq with considerable capability to proliferate and made Iraq a continuing threat to Kuwait, Saudi Arabia and Iran. Iraq plays a growing role in supporting Palestinian hard-liners. At the same time, renewed oil wealth and oil for food have not begun to correct the effects of some 20 years of crisis and war and failure to develop, nor is there a stable climate to develop energy resources.

The Best Case

Iraq’s regime proves to be far more fragile than is expected and internal tensions destroy not only Saddam Hussein but also the elite around him. Leaders emerge who focus on the peaceful development of Iraq and can force sufficient unity of action by Sunni, Shi’ite and Kurds. Economic reform takes place; resources go into social development and not arms; and Iraq becomes a major but peaceful player in regional and Arab politics.

The Worst Case

Saddam Hussein’s tyranny continues and becomes hereditary as his younger son institutionalises his power. Efforts to support an uprising around a weak opposition fail and strengthen Saddam by default. This “Bay of Kurdistan” deprives the US of the regional allies it needs for a major war to remove Saddam from power. Saddam breaks out of UN sanctions, rearms and re-proliferates. He is a constant source of tension throughout the Middle East and supports terrorism by proxy. This hardens Iranian attitudes and poses a constant threat to the region and its energy exports.
Another “Algerian Civil War” in North Africa?

Algeria has “won” its civil war against its Islamic extremists, but every North African state has failed at effective economic reform and faces a major demographic crisis. Islamic extremism is gaining in influence for the same reasons it is gaining influence in other parts of the Middle East.

The Best Case

North African states finally act upon their economic and political reform plans. They aggressively deal with the problem of population growth. They encourage serious privatisation and foreign investment and avoid military adventures. Morocco, Libya and Tunisia succeed in internal economic reform. Algeria’s vicious and corrupt military junta is overthrown without shifting power to Islamic extremists.

The Worst Case

North Africa becomes a cesspool of failed regimes and economies. A new Algerian-style civil war breaks out. Energy investment is inadequate and political and economic instability encourage attacks on energy facilities, massive new flows of immigration and the export of terrorism.

Extremism and Terrorism

The Middle East is scarcely the only source of global terrorism, but it is a serious problem in many countries and among many movements.

The Best Case

Regional regimes realise that they cannot tolerate extremism and the export of terrorism without being counter-attacked, without encouraging their own eventual overthrow, and without further crippling their prospects for social and economic development. In the short run, they deal effectively with internal security issues. In the long run, they make the economic, social, political and religious reforms necessary to deal with the root causes of terrorism.

The Worst Case

Leaders temporise, dither, and exploit extremism and terrorism for short-term advantage. Terrorists are used in both regional and global proxy wars and attacks. Radical regimes steadily encourage terrorism and provide better weapons. They tolerate or encourage the acquisition of CBRN weapons. US and Western counter-terrorist attacks and campaigns win tactical victories but cannot address the root causes and each success breeds more skilled and determined terrorist groups.

Proliferation and CBRN Weapons

Algeria, Libya, Egypt, Israel, Syria, the Sudan, Iran and Iraq are all proliferators. Al Qaida has shown that terrorists have a serious interest in CBRN weapons as well. Current arms control and export control policies cannot deal with the problem.

The Best Case

A total roll-back in CBRN weapons capability is impossible, and no amount of controls and inspection can prevent states from being able to manufacture significant amounts of biological agents with nuclear lethality with only limited warning, if any, the resolution of regional quarrels, political and economic reform, and some form of inspection and arms control, does,
however, reduce proliferation to very low-profile stockpiling, eliminates the spectre of hair trigger missile and air delivery forces, and produces true roll-back in some countries.

The Worst Case

The race for weapons of mass destruction becomes increasingly region-wide and spills over into the India-Pakistan conflict. Sabre-rattling and CBRN threats become endemic. Nations develop first-strike options, launch on warning, and launch-under-attack options. Terrorists lever this fragile situation to trigger a major exchange somewhere in the region, or a radical leader starts a process of escalation that cannot be stopped.

Immigration, Labour Mobility and Prejudice

Europe already sees regional immigration – particularly illegal immigration – as a major security threat. Economic and demographic pressures can make these threats much worse in the future. The resulting racial and religious prejudice can harden Islamic antagonism with the West and encourage terrorism.

The Best Case

Widespread economic and population control reforms attack the root cause of the problem while Western and regional governments work far more closely together to limit its near-term impact.

The Worst Case

Massive waves of attempted and successful illegal immigration trigger Draconian European responses and equally hostile regional reactions. A so-called “clash between civilisations” becomes a clash over immigration.