

Europe and Israel: Between Conflict and Cooperation

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The European Union's policies towards Israel are defined by an internal tension.¹ On the one hand, there is growing friction between Israel and the EU mainly due to the declining confidence in the two-state solution and in public sympathy for Israel. On the other hand, despite claims that Israel's policies towards the Palestinians contravene EU norms and interests, EU pressure on Israel has remained limited, and its attempts to advance the peace process ineffective. Moreover, Europe's own crises and increased instability in the Middle East have led to a reordering of European priorities, which has caused Israel's rising economic and defence capabilities to be viewed as increasingly significant. This situation would appear to suggest, especially to the right-wing Israeli government and its supporters, that Israel can reap increased benefits from the relationship while effectively disregarding European concerns related to the Israeli–Palestinian arena. This, however, would be a mistake. The current Israeli government's failure to maintain a clear commitment to a two-state solution constitutes a self-inflicted wound, inhibiting its ability to seize a window of opportunity to strengthen its position with the EU as a whole. Moreover, if EU unity remains elusive, and if the Trump administration fails to fill the diplomatic vacuum, frustration is likely to lead EU member states, individually or in subgroups, to act beyond EU consensus to advance diplomatic support for the Palestinians and withdraw support from Israel.

The decline of Israel's standing in Europe

The EU has invested heavily in promoting the two-state solution, not least through substantial aid to the Palestinian Authority (PA). Consequently, the declining credibility of Israel's commitment to a two-state solution since Benjamin Netanyahu came to power in 2009 has been a source of concern and frustration for many European leaders.² Taken together with political weakness and internal division on the Palestinian side, many perceive the waning viability of this political goal.

The period 2009–14 saw Netanyahu try to promote a relatively centrist image in Israeli political terms, by including centre-left parties in his coalition and by participating in US-orchestrated negotiations with the Palestinians on the basis of a two-state solution. However, his legacy of opposing the Oslo process and his political partnership with pro-settlement factions exacerbated deep distrust among Palestinians, and also many Europeans. 'I cannot bear Netanyahu, he's a liar,' Nicolas Sarkozy – a leader considered

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sympathetic to Israel – once hissed to US president Barack Obama, a sentiment echoed across many European capitals.³ A broad upgrade in EU– Israel relations agreed in June 2008 was shelved in 2009, pending progress towards a resolution on the Israeli–Palestinian conflict.⁴

In 2012, the Palestinians turned to the UN General Assembly to admit Palestine as a non-member state, arguing that attempts to gain statehood through a negotiated agreement with Israel were fruitless.⁵ EU members were divided on the issue, a fact that might have constrained its negative political impact on Israel’s standing in the EU. However, Israel’s reaction – new plans to build settlements in the E1 area east of Jerusalem, which European missions in East Jerusalem warned was vital for a Palestinian state⁶ – succeeded in forging unity among the 27 in opposition to Israeli policy.

Subsequently, the Foreign Affairs Council insisted that all EU agreements with Israel explicitly indicate their ‘inapplicability to the territories occupied by Israel in 1967’, and in 2013, under pressure from the European Parliament, the Commission issued guidance to explicitly ensure EU grants were ineligible to Israelis in the Occupied Territories. The practical implications were limited, but Israeli politicians reacted furiously. Israel temporarily ceased cooperating with the EU in the West Bank, restricting its activities.⁷ The demand for a territorial clause excluding the West Bank from the agreement almost derailed Israel’s accession to the EU’s Horizon 2020 research-funding programme – threatening hundreds of millions of euros in funding to Israeli researchers. As a last-minute compromise, Israel attached an appendix to the agreement specifying its objections to the territorial clause. These were only the first of a long list of opportunities for the EU to force Israel to differentiate between the territory either side of the pre-1967 Green Line, with the hope of pressuring Israel to halt settlement expansion and maintain the viability of the two-state solution.⁸

These moves have been interpreted in Israel, especially by right-wing parties, as legitimising a consumer boycott of settlements, and as the thin end of the wedge of a popular and government-sanctioned boycott of Israel in its entirety. Israel’s sensitivity has been heightened by the growing profile of a ‘Boycott, Divestment, and Sanctions’ (BDS) movement, which aims to generate the kind of pressure put on South Africa in the 1980s. This movement – driven by activists within trade unions, far-left parties, non-governmental organisations (NGOs) and Islamist groups – has not gained the support of a critical mass of European citizens, but it has found a receptive audience among the broader liberal left and European Muslim constituencies.

Yet Israel and the EU continued to sign new trade agreements in agriculture (2009) and pharmaceuticals (2012), and in 2013 inked a major civil-aviation ‘Open Skies’ agreement. The latter was finalised at a time when there was still a veneer of hope in the Israeli–Palestinian arena, as US secretary of state John Kerry led an intense diplomatic effort.

The year 2014 saw the collapse of Kerry-led negotiations, after PA President Mahmoud Abbas, distrustful and humiliated following repeated Israeli settlement announcements, rejected the United States' proposed framework.⁹ Armed conflict between Israel and Hamas in Gaza soon followed. Images of devastation triggered thousands to demonstrate against Israel in Western European cities including London, Berlin, Paris, Dublin and Madrid.

These demonstrations represent the intensification of the negative shift in public attitudes toward Israel that began in the late 1970s,¹⁰ with the waning relevance of the Holocaust in European perceptions of Israel and the reversal of Israel's status from David to Goliath in the Arab–Israeli conflict. Today, Western European publics are much less sympathetic to Israel than those in North America, although there too, liberals and especially 'millennials' born after 1980 have cooled significantly towards Israel in recent years.¹¹ Meanwhile, growing Muslim minorities in key states identify with the Palestinians. Universities in some countries, notably the United Kingdom and Ireland, are centres for grassroots campaigns that call for boycotting Israel. Artists and musicians planning to perform in Israel are routinely subjected to high-profile campaigns to cancel their engagements.

The 2014 Gaza conflict increased the impetus in several European states to change the status quo, and led to a movement for recognising the State of Palestine. By the end of 2014, Sweden had extended full recognition, while non-binding resolutions to back recognition were passed by parliaments in France, Ireland, Portugal, Spain, the UK, Belgium and Luxembourg, as well as the European Parliament.¹² An intervention by Conservative Foreign Affairs Select Committee Chair Richard Ottaway in the UK parliamentary debate strikingly illustrated how Israel's policies were alienating formerly well-disposed politicians. Ottaway said:

I have stood by Israel through thick and thin ... I have sat down with Ministers and senior Israeli politicians and urged peaceful negotiations ... I thought that they were listening. But ... the annexation of the 950 acres of the West Bank just a few months ago has outraged me more than anything else in my political life, mainly because it makes me look a fool.¹³

The 2014 Gaza conflict, as well as provoking widespread public anger against Israel, also led to a surge in anti-Semitic incidents.¹⁴ In light of these events, and deadly attacks on Jewish-community targets in Belgium, France and Denmark by Islamist extremists, Netanyahu declared that European Jews should escape 'terrible anti-Semitism' by coming 'home' to Israel. This call was rejected by politicians in Germany and France,¹⁵ as well as by prominent Jewish-diaspora leaders.¹⁶

A new phase began in 2015, with elections in Israel resulting in a shift to a hard-right coalition. During the campaign, Netanyahu affirmed that a twostate solution was not in the offing, and he used overtly anti-Arab tropes to rally supporters on election day. Once formed, the government accelerated illiberal

legislative moves. A law intended to marginalise human-rights NGOs that receive international funding triggered particular concern from several EU members, being seen as an attack on European support for human-rights groups, and a European External Action Service (EEAS) statement warned Israel it risked undermining its democratic character.¹⁷

In May 2015 a European Eminent Persons Group including several former European foreign ministers and prime ministers called for a 'fresh examination of EU policy' to include upgrading the status of Palestine and greater accountability on human rights and settlement expansion. Among their concerns was that 'the current financial and political assistance given by Europe and America to the Palestinian Authority achieves little more than the preservation of the Israeli occupation'.¹⁸ In November 2015 the EU Commission announced new guidance that products from Israeli settlements should be labelled as such. It was a move that EU members seeking greater pressure on Israel over settlements had been pushing for since 2013, but was held up so as not to interfere with Kerry's diplomatic initiative.¹⁹ The timing of its emergence was linked to the vacuum in the peace process and renewed settlement announcements.

The election of Donald Trump as US president brought another shift. Pro-settlement Jewish Home Party leader Naftali Bennett – a key coalition partner – pushed for Israel to declare that 'the era of the Palestinian state is over'.²⁰ Netanyahu himself stopped referring explicitly to the 'two-state solution'. In early December 2016, a bill to legalise some settlements built on private Palestinian land was introduced in the Knesset. This spurred EU members to impose a diplomatic price on Israel. In late December, the UK, France and Spain voted for a stinging UN Security Council resolution condemning settlements that laid a possible foundation for sanctions. This was immediately followed by a French-sponsored conference promoting the two-state solution, which proceeded despite Israel's objections.²¹

In another sign of change, during a visit to Israel in 2017, German foreign minister Sigmar Gabriel met with left-wing Israeli NGOs, thereby foregoing a meeting with Netanyahu, who said he would not see him if he did so. In a subsequent speech in Tel Aviv, Gabriel warned that 'young people in my country are increasingly unwilling to accept unfair treatment of the Palestinians, and it's becoming increasingly difficult for friends like me to explain why we support Israel',²² underlining concerns expressed on the Israeli centre-left that Israel was losing its friends in its vital European hinterland.

Underlying divides: interests, culture and ideology

Europe derives leverage over Israel from trade, strategic and diplomatic cooperation, and its cultural and scientific ties. The EU is Israel's largest trading partner,²³ and according to a senior EU diplomat, Israel has more favourable agreements with the EU than any other non-member state.²⁴ The EU also plays an indispensable role as a leading financial supporter of the PA, whose stability and security

apparatus in the West Bank is integral to Israeli security.²⁵ Given the combination of potential leverage and frustration with Israeli policies, one would expect there to be increasing European pressure on Israel. Indeed, to Netanyahu's frustration – as expressed in a recent meeting with leaders from the Visegrad countries²⁶ – Israel's hardline policies clearly come at some cost, as Europe links the upgrading of bilateral relations to the Israeli–Palestinian issue. An agreement on Israeli cooperation with Europol is stalled because of EU insistence that cooperation not apply over the Green Line.²⁷ No meetings of the EU–Israel Association Council – the formal ministerial body for agreeing bilateral cooperation – have been held since 2012, as individual EU Council members press for a tougher line on Israel and oppose new EU–Israel agreements.

Unless Israel forces the EU's hand with further steps that undermine the two-state solution, such as formal annexation of territory, however, greater EU-wide pressure is unlikely due to divisions within the European Council and the EU Parliament, and among member states. As a diplomat from a member-state delegation in Brussels explained, 'We [EU members] all agree on the outcomes [of an Israel–Palestinian peace deal] but the moment we touch on how to get there, we fall apart.'²⁸ France is the leader of a group of states consistently supporting measures to insert the EU into the Israeli–Palestinian agenda, including through diplomatic and EU measures to exert pressure on Israel. This group includes other Mediterranean states like Spain and Portugal, but also northern-European states such as Ireland and Sweden, for which international law and human-rights concerns form an important part of their political culture. A contesting group, more sympathetic to the Israeli position, has customarily countered these initiatives. Germany and the Netherlands – deeply committed to transatlantic relations and influenced by the memory of the Holocaust – used to be at the core of this group. The UK, with its strong historical ties to the Arab world, sought a balanced posture but also typically strove to temper French efforts to compete with US leadership on the Middle East.

Today, however, officials from member-state delegations credit frustration with the policies of the Israeli right for pushing Germany and the Netherlands into a more neutral position. Now this second group is dominated by newer members from the east. While EU Foreign Affairs Council deliberations usually keep this divide behind closed doors, it has been boldly exposed in repeated splits in voting on UN resolutions. The most striking example was the November 2012 vote in the UN on whether to admit Palestine as a non-member state. Of the EU members, 14 voted in favour, and all were Western European except for Greece and Cyprus. The 12 abstaining EU states included almost all the former Eastern bloc countries plus the UK, Germany and the Netherlands. The Czech Republic stood alone in voting against. More recently, EU members Croatia, the Czech Republic, Hungary, Latvia, Poland and Romania were among the 35 states that abstained from the December 2017 UN General Assembly vote

of censure following the Trump administration's recognition of Jerusalem as Israel's capital, while all other EU members voted in favour.

Although each state has its own characteristics, in general former Eastern bloc countries joined the EU with an Atlanticist orientation. They lack the legacy of colonialism, the interests in the Arab world and the significant Muslim minorities that are all factors in Western Europe. In many cases their leaders are cognisant of the history of large Jewish communities destroyed in the Holocaust, even while concerns about anti-Semitism on the populist right, and about Holocaust revisionism remain, especially with respect to Poland. In addition, surveys show publics in Hungary and Poland are more hostile to Muslims than those in Britain, France, Germany, the Netherlands or Sweden.²⁹

The Visegrad Group of countries – Hungary, Poland, Czech Republic and Slovakia – invited Netanyahu to participate in their 2017 summit and even accepted Netanyahu's invitation to hold their 2018 summit in Israel.³⁰ The Czech Republic stood out as the only EU state to follow Washington in recognising Jerusalem as Israel's capital in 2017 (though unlike the US it explicitly referred only to West Jerusalem), with its parliament having voted in support of such a move earlier in the year. Meanwhile, Hungary also reportedly moved to block a joint EU Council statement condemning Trump's Jerusalem declaration.³¹ An informal breakfast meeting between Netanyahu and the EU foreign ministers in December 2017 was the result of a Lithuanian invitation, which annoyed other members.³²

A sharp ideological and party-political divide overlays this split at the national level. On both sides of the Atlantic, those identifying as conservatives or on the right are far more likely to be sympathetic to Israel as a nation-state that is part of the West and a front-line ally against common threats. Those identifying as liberals or on the left tend to be more critical of Israeli right-wing policies while sympathising with the Palestinians as victims of Israeli oppression. These ideological splits shape the attitudes of government parties and leaders in the EU Council. They are also clearly visible in the EU Parliament, where centre-left parties led by the Socialists and Democrats (S&D) promote resolutions critical of Israel, and centre-right parties led by the European People's Party (EPP) promote a line more sympathetic to the position of the Israeli government.³³

Attitudes are also shaped by the fact that for many politicians and their electorates, even in Western Europe, the Palestinians are associated with corruption, internal division and violent extremism. Thus, in opinion surveys in leading Western European countries, the Palestinians are favoured more than the Israelis, but more common still is equivocation or indifference.³⁴

As for BDS, several European and American funds have barred cooperation with Israeli firms operating in the occupied territories, and there is evidence that Israeli exports fall during periods of violence.³⁵ However, BDS has not received wide enough public support to get governments to act. In any case,

much of Israel's output consists of high-grade intermediate industrial products that are difficult for bottom-up consumer campaigns to target, and not easily substitutable. Moreover, British and French governments have introduced legal measures against boycotts, and in Germany the notion of a consumer boycott of Israeli products carries an added political weight due to the echo of the Nazi boycott of Jewish businesses.

The rift within the EU Council and the high commitment of many states and leaders to their positions creates a disincentive to securing a formally agreed common stance, especially in the absence of major violence that puts the conflict on the front pages. EU ministers have repeatedly held informal discussions on the Middle East peace process. They held breakfasts with Israeli and Palestinian leaders in late 2017 and early 2018, and EU High Representative for Foreign Affairs and Security Policy Federica Mogherini announced, following the annual informal Gymnich summit in September 2017, that the EU would review 'the modalities of our engagement on the ground'.³⁶ But aside from a three-paragraph statement in June 2016, there have been no EU Council conclusions formally agreed among the 28 members on the issue since January 2016. No member state has a position calling for sanctions against Israel, nor has any yet followed Sweden in recognising a Palestinian state. Neither did the French-orchestrated international conference in 2017 become a European initiative. All of this reflects the difficulty in reaching consensus.

Even when there is an agreed policy in principle, confronting Israel in practice is hindered by a 'safety in numbers' mentality. As one diplomat from a member-state delegation in Brussels remarked with respect to the labelling of settlement goods, 'It should already have been put into effect by individual member states but we are all too scared to do things by ourselves so we wait for the others. We always want to do things, 28 together.'³⁷ The characterisation of the EU as a multilateral institution that is singularly hostile to Israel, often heard in Israel, is an exaggeration. The Commission issued guidelines on labelling settlement produce only after repeated requests from numerous member states. EU officials are aware that measures to pressure Israel over settlements feed a narrative of the Israeli right of being victimised by 'anti-Semitic' Europe. Furthermore, EEAS officials stress the importance of maintaining a dialogue with Israel in order to have a meaningful role on the Israeli–Palestinian issue. In response to the labelling guidelines, Israel effectively froze political relations with the EU for a time, and EEAS officials acknowledge that Israel's reaction would make some conclude that it 'wasn't worth the hassle'.³⁸ Similarly, Israel has acted to marginalise Sweden from any engagement in Israeli–Palestinian diplomacy since Stockholm extended full recognition to Palestine – for example, restricting contact with Foreign Minister Margot Wallström.³⁹

There is evidence, however, that individual states, or subgroups within the EU 28, are increasingly inclined to follow Sweden's example and recognise Palestine or extend other forms of diplomatic

support. There is strong cross-party and public support for such a move in several countries, including Ireland and Slovenia. In January 2018, the Luxembourg foreign minister said that given the disunity in the EU, France should lead a group of likeminded states in recognising Palestine, which Luxembourg would join.⁴⁰ The Labour opposition in Britain made a manifesto commitment in 2017 to recognise Palestine if elected.

While there seems to be insufficient unity for more biting EU-wide measures, the declining credibility of Israel's commitment to a two-state solution is undermining the propensity of several European states to provide diplomatic support to Israel, and increasing motivation for some to apply diplomatic pressure on Israel. At the same time, the variety and complexity of European attitudes towards Israel is increasing due to major shifts in the strategic, political and economic context that are making Israel increasingly significant as an economic and strategic partner in the eyes of many European leaders.

Increased threats from the Middle East

In 2003, the EU's Security Strategy celebrated a 'period of peace and stability unprecedented in European history'.⁴¹ In contrast, its 2016 Global Strategy document was based on the sober assessment that 'we live in times of existential crisis, within and beyond the European Union.'⁴² The external dimensions of this crisis stem not only from the Middle East, but also from a strategically aggressive Russia in Eastern Europe and a United States that was retrenching under Obama and whose commitment to the liberal international order has been called into question under Trump. The hope that a democratic Turkey could bridge divides between Islam and the West is now also in tatters, with Turkish President Recep Tayyip Erdogan embracing increasingly Islamist rhetoric and authoritarian policies.⁴³ In parallel, the dream that the 'Arab Spring' would bring democracy has become a nightmare with the rise of Islamist groups like ISIS, and the collapse of many parts of the region into chaos.⁴⁴ All this is affecting a realist turn in EU foreign policy, reflected in additional language in the EU's 2016 Global Strategy document emphasising 'the security of its citizens and territory'. With respect to the southern Mediterranean, this is reflected in the reaffirmation of the 'security–stability nexus' as the 'master frame', whereby stability takes precedence over democracy.⁴⁵

Viewed through this prism, the Israeli–Palestinian arena no longer appears as central to the EU's strategic concerns in the Middle East as it once did. The EU's 2003 Security Strategy stated: 'Resolution of the Arab/ Israeli conflict is a strategic priority for Europe. Without this, there will be little chance of dealing with other problems in the Middle East.' In its 2016 Global Strategy document, the issue gets a brief mention in a paragraph on support for 'functional multilateral cooperation' in the Middle East, which itself is just one of five 'lines of action' for the EU's approach to the Mediterranean, Middle East and Africa. By contrast, 'terrorism' gets 32 mentions and 'migration' 26.⁴⁶

The war in the Syrian–Iraqi arena, as well as the chaos in Libya, has had a direct impact on European interests far broader than the Israeli–Palestinian conflict. These interests include the migration wave; the recruitment of Europeans to ISIS and their threatened return; ISIS’s efforts to radicalise Muslims in Europe; and the potential spread of instability to other Arab states. As Brando Benifei, a member of the European Parliament’s Palestine Delegation, confirmed, ‘The Israeli–Palestinian conflict has gone down the agenda in terms of attention by the political sphere because of the insurgence of ISIS.’⁴⁷

Moreover, Israel is a critical security partner for Egypt and Jordan, whose stability is a significant European concern. Israel’s role supporting Egypt’s fight against jihadists in the Sinai is particularly noteworthy, given Europe’s fears that many more Egyptians could join migrant waves from Libya and Syria.⁴⁸ Israel is on the same side of key regional struggles as Gulf states with which it has no official relations, especially Saudi Arabia and the UAE.⁴⁹ This cooperation has been catalysed by the growing threat from Iran and from Sunni jihadists coupled with US retrenchment, and was enhanced in particular by Obama’s outreach to Iran. When Israel went to war with Hamas in 2014, Arab states said little, and Egypt brokered an eventual ceasefire on terms favourable to Israel.⁵⁰

According to former British foreign secretary Malcolm Rifkind, one should ‘not underestimate the impact of the more thoughtful Europeans saying, “Well I can see how the Saudis and Egyptians, and the Jordanians and the Gulf States are now actually working openly or under the radar screen with Israel, and I draw conclusions from that.”’⁵¹ In addition, Europeans and Israelis are equally welcoming of the reform efforts of Saudi Crown Prince Mohammad bin Salman, which includes backing away from promotion of radically anti-Western forms of Islam, and a greater openness to Israel as a potential ally.

While the occupation and periodic rounds of conflict remain sources of grievance and drivers of radicalisation, the rise of Sunni jihadist threats highlights the security risks involved in a full territorial withdrawal of the Israeli military from the West Bank. Given that every weak or ungoverned space in the Middle East, including the Gaza Strip and southern Lebanon after Israel’s withdrawal, has become a base for Islamist extremists, Israel’s demands for a special security regime in the West Bank, including Israeli forces along the Jordan River in any future agreement, has greater credibility, with obvious implications for the security of Jordan.

In addition to playing a role in regional stability, Israel has important bilateral security ties with EU members. Israel’s intelligence agencies are valued for their expertise. Israel is credited, for example, as the source of the intelligence that ISIS planned to use laptops to bomb airliners.⁵² Several politicians and commentators in Europe have responded to terror attacks in their cities by looking to Israel for models on prevention.⁵³

There is also a shared interest in containing the spread of Iranian power. Europe and the Netanyahu government have remained at odds on Iran since the signing of the Joint Comprehensive Plan of Action (JCPOA), as the Europeans have defended the deal while Netanyahu has condemned it and supported Trump's decision to withdraw from it. Israel is also concerned about European companies re-entering Iran. Nevertheless, Europe and Israel recognise a shared interest in containing Iran's influence, including Iran's role in Syria where it is allied with Russia, its threat to Western orientated Arab states, and the risk of its developing nuclear weapons. Iran already has missiles that can hit southern Europe and is continuing to make progress in this area, and European leaders including French President Emmanuel Macron have declared their willingness to work with the US on a new initiative that will limit Iran's missile programme.⁵⁴ Israel's intelligence capabilities are of major significance on these issues.

In the eastern Mediterranean, Israel has formed with Greece and Cyprus a defence-orientated 'quasi-alliance' driven primarily by the prospect of cooperating in gas exports to Europe, and by strategic cooperation in the face of Erdogan's Turkey.⁵⁵ Some officials⁵⁶ involved in EU Council deliberations credit a gas-pipeline proposal signed by Israel, Greece, Cyprus and Italy with shifting those EU members into the Israel-sympathetic group of like-minded states within the Council. Though the potential quantities of gas are small compared to Russian reserves, given Europe's concern to diversify, they are not insignificant.

More broadly, there is readiness to enhance ties with Israel's military across Europe in light of Israel's status as a world leader in various defence equipment sectors. Last year, European governments bought a record \$1.8 billion-worth of defence equipment from Israel, and outlays may increase as EU members face increasing internal and external security challenges, including the Russian threat from the east, and come under US pressure to increase defence budgets. Israeli exports include aircraft and air-defence technology; observation and radar equipment; ammunition; and intelligence and cyber systems.⁵⁷ In 2017, Israel Aerospace Industries provided Italy with its first autonomous earth-observation satellite.⁵⁸ In November 2017, France, Germany, Greece, Italy and Poland all participated in an Israeli-hosted air-force exercise.

Europe's internal changes

Positive European attitudes towards Israel turn not only on heightened external security threats but also on internal crises relating to legitimacy, identity, economy and security in the EU. The decade of poor economic performance, which has fuelled support for radical parties on the right and left, and the jihadist threat and Muslim immigration, which have stoked the populist-right resurgence in many European countries, have also warmed perceptions of Israel in parts of Europe.

The chaos that has engulfed Arab states, and the failure of democracy to flourish, further underlines for Europeans the uniqueness of Israel as a democracy and a familiar culture. This is especially significant for those on the right, who tend to embrace a conception of what Thomas Risse has called 'nationalist Europe', which 'emphasizes a (Western) civilization and culture'.⁵⁹ This version of European identity excludes 'non-Christian countries such as Turkey, but also non-European immigrants and large parts of the Muslim populations in European cities'. For many mainstream conservatives, Europe's cultural boundaries include Israel, much of whose population originates in Europe.

Meanwhile, further to the right, populist parties and politicians express solidarity with Israel to bolster their anti-Islamic credentials and to resist charges of anti-Semitism.⁶⁰ One example is Freedom Party leader and vice-chancellor of Austria Heinz-Christian Strache. While Strache has dismissed his involvement with a neo-Nazi youth movement as a result of being 'stupid, naive and young',⁶¹ his more recent acts, such as posting an anti-Semitic cartoon on Facebook in 2012, have left lingering suspicions of anti-Semitism.⁶² To convince sceptics of his rejection of anti-Semitism, Strache – like other European populist-nationalist politicians – has expressed a commitment to defending Israel and Jews against Muslim threats.⁶³ Strache said during a visit to Israel in April 2016: 'I always say, if one defines the Judeo-Christian West, then Israel represents a kind of border. If Israel fails, Europe fails. And if Europe fails, Israel fails.'⁶⁴ Meanwhile, the Orbán government in Hungary and the Law and Justice Party government in Poland have adopted rhetoric and legislation targeting liberal NGOs and the courts in a manner comparable to Netanyahu-led governments in Israel. This reduces prospects of the EU Council collectively censuring Israel over such measures.

At the same time, the improving trajectory of Jeremy Corbyn and the Labour Party in the UK and Podemos in Spain illustrate significant hostility to Israel in rising left-wing parties. So far, however, this has caused much more discomfort for European Jews, whose relationship with Israel is central to their identity, than it has for Israel itself.⁶⁵ Even leaders from political parties with a history of hostility to Israel including support for BDS, such as Syriza in Greece, have found their ideological positions tempered by more pressing domestic challenges in the wake of the 2008 economic crisis. As a result, the Syriza-led government has continued the process of deepening relations with Israel which began under its predecessors.

Israel's rising power

Israel has become a stronger economic and security partner to Europe. Israel's population had grown to nearly nine million in 2017 and is set to reach 15m by 2048.⁶⁶ It has become a regional power, and in recent years has improved relations with India, China, Latin America and several African states.⁶⁷ While EU economies have struggled in the last decade, Israel's growth has continued. EU imports from Israel

have never been higher, staying at around €13bn annually between 2011 and 2016. Meanwhile, most EU members enjoy a growing trade surplus with Israel. EU exports to Israel grew from €14bn in 2006 to more than €21bn in 2016, despite the subdued economic climate.⁶⁸ In January 2017 Israel issued €2.25bn in bonds on the London Stock Exchange and demand was four times the offering.⁶⁹ Indeed, an economic model recently devised by a British think tank identified Israel as one of four countries – alongside Canada, India and China – that the UK should engage with intensively post-Brexit on the basis of projected growth potential in bilateral trade.⁷⁰

Israel's success, especially in the high-tech sector, for which Israel has been dubbed the 'Start-Up Nation',⁷¹ makes Israel not only an increasingly valuable economic partner but also one admired by Europeans struggling for higher growth and employment. In a recent Brussels event celebrating EU–Israeli innovation cooperation, EU innovation commissioner Carlos Moedas said, 'Israel's successful and dynamic innovation ecosystem ... is an inspiration ... when designing our EU research and innovation policies.'⁷² Since becoming the first non-EU country to join Europe's innovation and research framework in 1996, Israel has contributed €1.277bn, its entities have benefited from €1.721bn in grants, and Israeli and European researchers have undertaken thousands of collaborations.⁷³ The perception of Israel as a dynamic and innovative society has to some extent mitigated the very negative impact of Israel's occupation of the West Bank on Israel's soft power. So too has the success of Israel's cultural exports. For example, two dovish Israeli authors – David Grossman and Amos Oz – were among the six finalists of the 2017 Man Booker International Prize.

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Frustration over aggressive right-wing Israeli policies on Palestine have held back the advance of EU–Israel relations, but have not as yet led to EU-wide pressure on Israel because that conflict remains deeply divisive for Europeans. Furthermore, there is now unparalleled potential for economic and strategic cooperation between Israel and Europe in the context of Middle East chaos, Europe's internal challenges and Israel's rising power. Yet while European and Israeli strategic and economic interests are more aligned than ever, public sympathy for Israel based on culture and values, a positive factor in the first 25 years of the relationship, is now a negative factor in Western Europe, and this looks set to worsen.

European politicians visiting Israel still generally feel themselves to be in familiar, Western-type cultural and political surroundings. These impressions matter as the foundation of a sense of shared identity. But declining belief in the possibility of a two-state solution, and dwindling confidence in Israeli democracy, threatens the stability of this shared identity. If Israel appears hostile to a Palestinian state and the Trump administration incapable of meaningful engagement, analogies between Israeli policies

and apartheid and calls for sanctions will be harder to ignore, and sympathy for Israel during conflicts will be even less forthcoming. One trigger could be the application of Israeli law to the settlements, which is being advanced by elements within Israel's governing coalition.⁷⁴ The Israeli–Palestinian conflict – which is significant for several European states' domestic politics as well as their international relations – threatens diplomatic support for Israel, as demonstrated by the December 2016 UN Security Council vote. The long-term attitudinal trends in Western Europe especially – shaped by growing Muslim populations and younger generations more attuned to global human-rights issues and less to the Israeli and Jewish historical narrative – are working against Israel.

Israeli measures that put a Palestinian state further from reach would bolster the case of Europeans arguing for EU sanctions against settlements. Such measures, or an intensification of violence, would also boost the BDS movement, in turn shaping European firms' assessments of investments in Israel. More EU governments could also feel compelled to act unilaterally or as subgroups of the EU Council in support of the Palestinian cause, as Sweden did in recognising Palestine. Israel therefore cannot ignore European concerns over the Israeli–Palestinian issue. The current Israeli governing coalition is incapable of generating a credible renewed commitment to a two-state solution. If a future Israeli government were to take advantage of the unprecedented willingness of key Arab states to begin normalisation with Israel to advance the creation of a Palestinian state, however, Israel would be in a strong position to reap the benefits of a greatly improved relationship with Europe.

Notes

- ¹ This article draws on numerous interviews conducted with officials and politicians in EU institutions, EU member states and Israel.
- ² Muriel Asseburg, 'Tensions on the Rise: Israel's Right-wing Government and the EU', Israeli European Policy Network, June 2015, <http://www.iepn.org/images/stories/papers/2015/tensions%20on%20the%20rise/muriel%20asseburg.pdf>.
- ³ Yann Le Guernigou, 'Sarkozy Tells Obama Netanyahu Is A "Liar"', Reuters, 8 November 2011, <https://www.reuters.com/article/us-mideast-netanyahu-sarkozy/sarkozy-tells-obama-netanyahu-isa-liar-idUSTRE7A7201201111108>.
- ⁴ Sharon Pardo and Joel Peters, *Israel and the European Union: A Documentary History* (Lanham, MD: Lexington Books, 2012), p. 324.
- ⁵ Mahmoud Abbas, 'The Long Overdue Palestinian State', *New York Times*, 16 May 2011, <http://www.nytimes.com/2011/05/17/opinion/17abbas.html?mcubz=3>.
- ⁶ 'Unreleased EU Report Slams Israeli Settlements', *Jerusalem Post*, 27 February 2013, <http://www.jpost.com/Diplomacy-and-Politics/UnreleasedEU-report-slams-Israeli-settlements>.
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