

# Israel's Regional Foreign Policies: What Is at Stake for the New Government?

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It was back in December 2018 when the Israeli Parliament dissolved for early elections. A year and a half and three election cycles later, and a new government has been formed in May 2020. After eleven consecutive years in power, Benjamin Netanyahu will begin yet another term as Prime Minister, despite his upcoming trial on bribe allegations and in parallel to his court hearings. The Israeli political landscape, which seemed for a while to be heading in the direction of leadership change, turned the other way. Netanyahu managed to navigate the political system to his benefit and to dismantle his key opposition – the Blue and White party led by Benny Gantz, his new coalition partner. The coronavirus crisis, which, to date, has effectively been contained in Israel, provided an emergency context – or more precisely, an excuse – for Gantz to abandon previous commitments and sign a coalition agreement with Netanyahu, under which the position of prime minister would be rotated, a condition which many in Israel doubt will be fulfilled. These domestic political developments have significant foreign policy consequences, especially regarding the Israeli-Palestinian conflict, but also regarding Israel's regional ties in the Middle East, Europe and the Mediterranean.

## **Possible Israeli Annexation of Palestinian Territories in the West Bank**

Following the release of the Trump plan in January 2020, and in the lead-up to the Israeli elections, Netanyahu vowed to annex territories in the West Bank. He had already made such a pledge before the September 2019 elections, but then it could have

been dismissed as a mere campaign promise, aimed at attracting right-wing voters. Towards the March 2020 elections, Netanyahu's intentions became much more concrete. Although the US Administration did not allow him to carry out immediate annexation after the publication of the Trump plan, an American green light may be on its way. The coalition agreement between Likud and Blue and White, authorizes Netanyahu to bring an annexation proposal before the government for its approval, as of 1 July. Blue and White has no veto power on this.

In response, the international community – from the EU to the Arab League, from China to Cuba, and from Russia to the UN – conveyed in April 2020 a series of statements opposing any Israeli annexation in the West Bank. Responses varied among countries, but concrete consequences of an upcoming annexation have yet to be spelled out. The type and scope of annexation that Netanyahu will eventually choose to pursue will affect how harsh the international response will be. The reaction of the Palestinians on the ground – whether violent or not – will also be a determining factor. Israel should expect challenges in the international legal arena as well as tensions in bilateral relations with major countries, such as Jordan and France. However, beyond international criticism, annexation will first and foremost damage Israel's own interests in pursuing peace, advancing regional relations and maintaining its Jewish and democratic nature.

Pro-peace Israeli civil society organizations are pushing back against governmental policies that endanger prospects of Israeli-Palestinian peace. It is in such times that their efforts are even more important. They are highlighting the negative effects of annexation and are trying to impact policy-making. In parallel, they are also making efforts – together with international partners – to increase positive interaction and cooperation with Palestinian partners. Beyond

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dialogue projects and policy-oriented endeavors, cooperation is also focused on mutual needs and joint challenges. For example, the coronavirus crisis provided opportunities for health professionals from both sides to coordinate, exchange best practices and know-how, and assist those in need. This is the type of cooperation envisioned by the UN Secretary General's call (in March 2020) for a global ceasefire amid the coronavirus crisis. Alas, the current political climate and the plans for annexation pose obstacles for positive progress between Israelis and Palestinians, and raise the likelihood of eventual escalation.

### **The Palestinian Issue Is Still a Key Factor Defining Israel's Ties with the Arab World**

Policies and attitudes of key Arab states towards Israel are undergoing transformation. It is a culmination of historical and geopolitical processes, which have been picking up pace following the Arab Spring. These changes open up new opportunities for Israel, enabling it to enhance interaction and cooperation with its neighbours. As such, they also reshape the traditional Israeli mindset of isolation in a hostile region, and impact Israel's foreign policy, politics, and domestic discourse. According to public opinion polls conducted by the Mitvim Institute, the Israeli public currently believes that cooperation with Arab states is both possible and important. Unlike the Palestinian issue, which is politically divisive, cooperation with the Arab world has emerged as a consensus issue in Israel. Nevertheless, despite positive developments of recent years, there is still much unfulfilled potential in Israel's relations with the Arab and Muslim world. This is mostly due to the unresolved Israeli-Palestinian conflict and its implications.

Despite repeated claims by Netanyahu that a breakthrough in Israel's ties with the Arab world is now possible even without progress in the Israeli-Palestinian peace process, the reality seems to be different. Arab leaders have reiterated their commitment to the 2003 Arab Peace Initiative, which clearly states that normal relations with Israel will only be possible after Israeli-Palestinian peace is achieved. Beyond statements, this is also manifested in practice. While Israelis – including officials – are more welcomed today in the Arab world than before, this is mostly done in the context of international – not bilateral – events. EXPO 2020 in Dubai, with an Israeli pavilion already in the making, was supposed to be a new peak in this type of relations, but it was postponed by a year due to the coronavirus. In terms of bilateral relations, the glass ceiling posed by the Israeli-Palestinian conflict is still very much evident. Before each of the Israeli elections in 2019 and 2020, Netanyahu tried to arrange meetings with Arab heads of state, but without success.

The Palestinian issue, while not being the number one topic on the Arab world's agenda, still significantly restricts the willingness of Arab leaders to take their relations with Israel to the next level. The Israeli government's intention to annex Palestinian territories makes it much more difficult. The Arab League has already referred to annexation as a new crime against the Palestinians, and Jordan has warned that it will have negative consequences for its relations with Israel. The peace between Israel and Jordan, a major strategic asset for Israel, is already in a problematic situation. King Abdullah lost trust in Netanyahu and publicly stated in November 2019 that bilateral relations are at an all-time low. The new Israeli government will need to prioritize a restart in relations with Jordan, but a necessary step in that process will be putting a halt to any plans for annexation.

### **The Eastern Mediterranean Becomes Central to Israel's Regional Foreign Policies**

The eastern Mediterranean began to emerge as a distinct sub-region to which Israel does not only belong, but in which it also plays a leading role. Israel's diplomatic emphasis on the eastern

Mediterranean evolved throughout the 2010s based on natural gas findings in Israel's economic waters and growing tensions with Turkey. Israel cooperated with Greece and Cyprus to establish a new trilateral alliance, which includes regular leaders' summits, diverse cooperation, and increased US involvement. Israel's relations with some of its Arab neighbours are gradually being addressed through a Mediterranean – and not only a Middle Eastern – lens. In 2019, the Eastern Mediterranean Gas Forum (EMGF) was established in Cairo, with Israel, the Palestinian Authority, Egypt, Jordan, Cyprus, Greece and Italy as its members. The EMGF was further consolidated in early 2020, and is on its way to becoming a recognized international organization. Its focus is economic, seeking to maximize benefits from natural gas findings in the eastern Mediterranean, but its unique membership creates opportunities for future cooperation on geopolitical and diplomatic issues as well.

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Israel can benefit from more inclusive mechanisms and cooperation in the eastern Mediterranean. From the onset of its engagement in this sub-region, Israel emphasized that its emerging alliances are not intended against any other country, namely Turkey. However, starting in 2019, Israel has been taking sides in the tensions in the Mediterranean, supporting Greece and Cyprus against Turkish actions and aspirations. The new Israeli government should seek ways to improve relations with Turkey, in parallel to deepening its alliance with the Hellenic states. While prospects for Israel-Turkey relations are limited, given the significant gaps between the states and their leaders, it is feasible for relations to return to an ambassadorial level and for Israel and Turkey to resume their strategic dialogue. Israel should also encourage the US to continue its mediation efforts regarding the Israel-Lebanon maritime border dispute. This mediation has yet to lead to the opening of direct negotiations between the states, but efforts towards that goal should continue.

### A Change of Mindset and Policy Is Needed Regarding the EU

Israel has been cultivating bilateral relations with EU Member States. The alliance with Greece and Cyprus is a leading example, but efforts have been carried out vis-à-vis other European states, especially in Central and Eastern Europe. Beyond the immediate benefits of better bilateral relations, these efforts were also aimed at influencing EU decision-making processes in Brussels. In recent years, Israel's allies in Europe have been blocking European statements and conclusions that criticize Israel's actions and policies regarding the Palestinians and that require consensus between Member States for their approval. The EU's Foreign Affairs Council has not published conclusions related to the Israeli-Palestinian conflict since 2016. Netanyahu has worked on benefitting from internal divisions among EU Member States, often siding with illiberal and Euro-sceptic leaders (like Hungary's Viktor Orban). In his public statements, Netanyahu and his top ministers accused the EU of pursuing anti-Israeli policies, supporting boycotts, and funding organizations supporting Palestinian terrorism. Harsh and undiplomatic language was repeatedly used by Israeli officials against Brussels, which has had a negative impact on Israelis' perceptions of the EU. According to Mitvim Institute polls, most Israelis currently view the EU as a foe to Israel, rather than as a friend. In reality, however, Israel and the EU enjoy deep and diverse cooperation – in diplomacy and security, technology and the economy, research and development, tourism and culture, and more. Europe is Israel's leading trade partner and Israel part of numerous European programmes.

The new Israeli government should regard the EU as a friend and partner, and stop its EU bashing. Israel should support a strong EU that plays a key role in the international arena and should prioritize ties with those European states that are guided by liberal democratic values. Israel should seek to renew its high-level political dialogue with the EU and reconvene the Israel-EU Association Council, which has been suspended since 2012. It should also respond favourably to the EU's offer from 2013 to establish a Special Privileged Partnership with Israel after peace is reached, and welcome EU

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involvement in efforts to advance Israeli-Palestinian peacemaking, including European support to pro-peace and pro-democracy civil society organizations. Unlike previous decades, most of the regional opportunities and challenges that Israel is currently facing are of a diplomatic nature, rather than a security-related one. This requires a change in how foreign policy and national security are handled. Israel's security establishment traditionally overshadows its

foreign service, and security considerations usually have the upper hand over diplomatic ones. Moreover, in recent years, Israel's Ministry of Foreign Affairs has been deliberately weakened by Netanyahu and its status has significantly declined. In May 2020, Israel's State Comptroller published a harsh report emphasizing the need to fix this. However, empowering Israel's foreign service will not be enough. The new government should also fix the content of Israel's foreign policy. Instead of promoting the annexation of Palestinian territories, thereby missing out on opportunities in the Middle East and increasing tensions with the EU, it should adopt a foreign policy that advances Israeli-Palestinian peace, increases Israel's status as a country that belongs to the Middle East, Europe and the Mediterranean, has a more internationalist outlook, and enables Israel to make a fresh start among the nations.