

## Working Paper

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# Germany and the Middle East

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## **Dimensions of German interests with regard to the region**

Regarding Germany's Middle East policies, I would like to start by briefly reviewing German interests and priorities with regard to the Middle East and North African region. Secondly, I will discuss how those interests have evolved and developed during the past years, and thirdly, summarise some of the current issues that Germany as well as the EU, and probably China, are facing in the Middle East.

To start with, it might be interesting to note that as independent concepts, both German Middle East policy as well as clearly defined German interests in the Middle East are relatively recent inventions. Ten or fifteen years ago, the answer to the question whether there was such a thing as a German Middle East policy would clearly have been "no". This has started to change since the early and mid 1990s.

German interests with regard to the Middle East and North Africa consist of three dimensions. The first issue that usually comes to mind is economic interests, prominently among which features the access to safe energy supplies. Here it is important to distinguish between the control of oil supplies and safe access to them: German interests are only concerned with guaranteeing access to oil, not with controlling oil supplies.

The second dimension is security, which from a Germany perspective basically means avoiding risks, as the region is marked by regional conflicts and problems such as terrorism or the proliferation of weapons of mass destruction. This does not imply that we fear an armed conflict with any of the Middle East states. Rather, the concern is that existing conflicts within the region could have an impact on European security.

The third dimension is purely political, and it is mainly related to the peace process between the Arab states and the Israelis.

Contrary to what many people expect, the economy and the economic dimension of German national interests are not the driving force behind German Middle East policies. While Germany is indeed an export economy as much as China is, German trade with the Middle East and North Africa merely accounts for about 3 percent of total German foreign trade. Trade with the Middle East and North Africa is important for some industries, mainly for car

manufacturers, producers of electronic goods and chemical industries. While there is room for increasing this trade, it does not drive politics. During the past few years, business has seemed to follow politics rather than the other way around.

Security fears, mainly with regard to terrorism, have lately caused public interest in the region to increase. This is due to the geographic proximity of the Middle East and North Africa to Germany and the European Union. German citizens have been victims of terrorism in Tunisia, and there is a widespread fear of Islam, which may not be expressed publicly but nonetheless exists. It is a factor which policy makers have to take into account.

A third, structural dimension leading to heightened German interest in the region is European integration and, related to it, the changing geopolitics of Europe. What does this mean? The changing geopolitics of Europe is probably best characterised and symbolised by the so-called Schengen Agreement, which is tantamount to the disappearance of internal borders in most of the European Union. In geopolitical terms, this implies that Germany as a state in Northern Europe has moved much closer to the south, the Mediterranean and the Middle East. It has even been argued that Germany has become a Mediterranean state itself because the Schengen area now borders Mediterranean countries. The borders that separate us from the Middle East or from North Africa are the ports and airports of France, of Italy, of Spain and no longer the borders of Germany itself. Anybody entering Spain, France or Italy merely needs to get on a train and travel to Germany, hence not only the Foreign Ministry but also the Minister of the Interior is increasingly interested in events in the Middle East and North Africa. In consequence, the entire political community is being affected by matters in the region and will be paying attention to it.

## **The common European approach and Germany's support for it**

As far as European integration in general is concerned, the gradual emergence of a Common Foreign and Security Policy (CFSP) as well as a European Security and Defense Policy (ESDP) also directly impact German and European interests in the Middle East and North Africa. The region has been identified as particularly important for the CFSP.

However, the shift of some foreign policy prerogatives to Brussels does not imply that Berlin can simply sit back and outsource its Middle East policy to the European Union. As a key EU member, Germany cannot leave these policies to Brussels alone or to the traditionally more involved countries like France and Great Britain. It needs to assume its share in the responsibility and has indeed done so. This goes along with an increased concern about an area that might become a field not only for European 'soft' foreign policies but also for intervention by EU or NATO crisis reaction forces. As a result, German policy towards the Middle East is now clearly seen as an integral part of European common foreign policies towards that region. Germany has a strong interest in strengthening the EU's foreign policy dimension, creating a CFSP that deserves its name.

I think it is important to stress at this point that Germany's support for a proper European Common Foreign and Security Policy does not entail opposition to the United States or the United States' role in the region. Rather, the opposite is true. German as well as EU policy makers have a strong interest in making the United States stay involved in the region, above all in the Arab-Israeli issue, but as part of a multilateral framework together with Europe and other players such as the United Nations. Note that we are speaking of multilateralism, as Europeans generally tend to do, not of multipolarism. This interest and approach is most obviously embodied in the so-called "Middle East Quartet" and its road map for peace between Arabs and Israelis, a format that actually allows the United States to be at the helm, based on ideas developed by European policy-makers. The road map and the Quartet are in a sense the German Foreign Ministry's foster children, yet it is also part of that policy to leave the Americans to adopt them as their own creations, as long as this helps in implementing them.

Of course, within the common European approach, each member state has its own priorities. France has traditional post-colonial ties to countries like Lebanon, Syria or Algeria. Britain has an affinity towards Jordan and even Palestine. Germany of course has its own very special relationship with Israel, which Germans always have to explain when they visit Arab countries or in dealing with Arab partners.

## **Asset or liability? Germany's special relationship with Israel**

There are different views in Germany as to whether the special relationship with Israel is an asset or a liability for Germany's policies towards the Middle East. I would argue that the answer depends on what one does: used in a constructive manner, this special relationship can be an asset. It can be helpful in moving the peace process forward and in incrementally building multilateral structures in the Middle East, which is what Germany's current foreign minister Joschka Fischer is trying to do.

Moreover, Germany has a unique interest in resolving the Arab-Israeli conflict that is separate from shared general humanitarian concerns or a European interest in stability in the Middle East. The end of the conflict between Israelis and Palestinians would also resolve what sometimes appears as a conflict of interests between the special relationship with Israel on one hand, and improved and tightened relations with the Arab world on the other.

So far, four main dimensions shaping Germany's relations with the Middle East have been identified: security and economic interests, EU structures and priorities, a willingness to cooperate with the United States, and a special concern with the Arab-Israeli conflict and its peaceful resolution within a multilateral framework. Against this background, German foreign policy initiatives on specific issues should be more easily comprehensible. Let me discuss three of the key issues at the forefront of the debate in Berlin today.

## **Key issues of German foreign policy**

The first issue is the Arab-Israeli conflict, particularly the relationship between Israelis and Palestinians. For Germany, solving this conflict peacefully necessitates strong and ongoing support for the Palestinian state building process. This is now a priority issue for German foreign policy. Since the establishment of the Palestinian Authority, Germany has been its main aid donor. German aid to the Palestinian entity surmounts the aid of any other actor, a fact often recalled with some pride in the foreign policy environment.

German policy makers have always been adamant that support for a Palestinian state is not unconditional. The goal is to build a democratic state

that respects human rights and cooperates peacefully with its neighbours. I think the latest Palestinian elections as well as the assertiveness of the Palestinian parliament have vindicated this approach and have underlined the necessity of investing in institution building, civil society support and state building in Palestine. In my view, there is reason for optimism about resolving the Israeli-Palestinian conflict, particularly if Israel withdraws from the Gaza strip. Naturally, this can only be a first step and needs to be followed up by negotiations, which should be strongly supported by the Quartet – the European Union, the United States, the United Nations and Russia – within a multilateral framework. Germany has clearly expressed its readiness to support major reconstruction programs for the new Palestinian state once Israel has left parts of the Palestinian region.

The second issue is Iran, particularly the current conflict about Iran's nuclear program. Iran has been a focal point of German foreign policy in the past, to the extent that since the Iranian Revolution took place in 1979, Germany has played a lead role in shaping European policies towards Iran. This has been the case even where other actors, especially the United States, have been trying to isolate the country. It is Germany's as well as Europe's position that Iran is too important to be left alone, a policy that goes by different names and has been termed 'critical dialogue' or 'constructive engagement'. But regardless of different labels the bottom line is that Iran must not be isolated and needs to be engaged in dialogue.

In the ongoing negotiations between the 'EU 3' – France, Germany, and Great Britain – and Iran the European Union shares the United States' and the United Nations' concern that Iran must not develop a military nuclear capability. Europeans, however, also recognise Iran's legitimate national interests such as economic and technological progress, political acceptance as a major player in the region, as well as security, by which Iran understands both regime security and national security.

While the EU can help Iran in the pursuit of the first and second of these interests, that is in achieving economic and technological progress as well as international political standing, the problem of the ongoing negotiations is that it cannot deliver security for Iran. In order to achieve this, the United States needs to be at least 'silently' involved in the negotiations. A regional security regime in the Gulf region and probably a guarantee against forced regime change from the outside are issues that need

to be discussed in order to reinsure Iran on the topic of security. As this is impossible to achieve without the cooperation of the United States, the EU will have to closely coordinate its talks with Iran with the Americans. Agreeing on what to do with Iran may even necessitate preliminary negotiations between the EU and the U.S. themselves.

The third issue, finally, is the so-called Broader Middle East and North Africa (BMENA) initiative launched by the G8 at their June 2004 summit. This initiative followed on from the Greater Middle East Initiative inaugurated by President George W. Bush in November 2003, calling for sweeping reform and substantial change in the states of the Middle East. Initially, many Europeans questioned the need for setting up such a policy. The need for modernization and change in the Middle East had long been recognised and addressed in the EU's Barcelona initiative, the EU's framework for relations towards Mediterranean and Arab Middle Eastern states.

Despite these initial doubts about the initiative and notwithstanding their different approaches towards reform in the Middle East, Europeans welcomed the Bush administration's plan. Essentially, it was viewed as signifying a willingness on the part of the U.S. to deal with structural issues such as education, institution building and development of the rule of law in the Middle East and therefore as worth supporting.

By deciding to embrace the U.S. approach European policy makers also ensured their say in the process and, consequently, secured an opportunity to try and shape the policy in the spirit of the existing Barcelona initiative. At the same time, both the Iraq war and the Greater Middle East and BMENA initiatives, respectively, served as wake-up calls for Europe and caused it to reexamine its own Middle East policies. The Iraq war once again dramatically pointed up the necessity of developing a common European approach if Europe is to be taken seriously on the international political stage. Positive results of this wake-up call are both the development of a European security strategy, which has served to unify European thinking not only towards the Middle East, as well as the common approach taken by Great Britain, France and Germany towards Iran, which demonstrates that Europe has learned a lesson from the Iraq war and acted in coordination on this important issue.

## Revitalising the Barcelona process

Thus, the Broader Middle East Initiative may help to revitalise the EU's own policy instrument for the Mediterranean and the Middle East, namely, the Barcelona process. During the past two or three years this process had been rather dormant. However, the EU and its member states now seem to have realised that talk of building a zone of stability in the Euro-Mediterranean region does not suffice because a zone of stability might just as well be a zone of stagnation.

On the other hand, the Arab states have realised it is in their best interest not just to cooperate with Europe on economic issues, but to also get involved in a closer political and probably security partnership with the EU if they are going to avoid exposure to America's unilateral moods in the region. They are also aware that they need to be prepared for gradual political change if they seek a strong and institutional political cooperation with Europe. So by the time Barcelona celebrates its 10<sup>th</sup> anniversary in the fall of 2005, there might be a call for building a Euro-Mediterranean community of democratic states within the next 10 years, which certainly is a novelty for Arab states to accept.