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THE EURO-ARAB DIALOGUE: QUEST FOR AN INTERREGIONAL PARTNERSHIP

Alan R. Taylor

THE Euro-Arab Dialogue (EAD) is a conference system between the European Community and the Arab League which is designed to explore the ways and means of establishing an interregional partnership. Though both sides are conscious of the interdependencies that exist between western Europe and the Arab world, they have not gone beyond a theoretical formulation of region-to-region coöperation since the Dialogue became operative in June 1975. The reasons for this are complex and stem from differences in political and economic orientation, as well as from structural problems within each of the two blocs.

The disappearance of the last vestiges of European colonialism in the Middle East and North Africa during the 1960s opened the door to closer relations between the countries of western Europe and the Arab world. The advantages to each of economic and technical coöperation are clear enough. The European Community is dependent on Arab sources for nearly 70 per cent of its petroleum, and the Arab states look to western Europe in particular for the technical assistance they require to develop their own economies. The interdependence in trade is equally important. Forty four per cent of Arab imports are from western Europe, while 40 per cent of Arab exports are to the European Community. Exports to the Arab countries account for 13.5 per cent of the EEC's extra-Community trade (more than the total exports to the US and Japan together), and 20 per cent of the EEC's extra-Community imports are from the Arab world.¹ Summarizing the significance of this trade pattern, the Community's Development Commissioner, Claude Cheysson, noted over a year ago that "in the course of the past three years, the Arab world has become the first client of the EEC."²

1. "Trade Pattern between the European Community and the Arab League Countries," European Commission information note VIII/534/77-E, revised September 15, 1977.

2. Quoted in an interview by James Goldborough, *International Herald Tribune*, January 28, 1977.

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Both sides in the EAD also see political advantages in a closer inter-regional relationship. The October War in 1973 marked the beginning of an Arab initiative to win greater support from the West in the struggle to regain the occupied territories and establish the political legitimacy of the Palestinian cause. The oil embargo was one dimension of this, but was more a form of pressure than an enticement. The Arabs really assigned a higher priority to engendering amicable relations with the Western powers, and in this context they saw the European Community as a potential source of diplomatic support on the outstanding issues at stake in the Arab-Israeli conflict.

The Community, for its part, had for some time been interested in a system of interregional coöperation with the Arab world along the lines of existing accords with groups of countries in Africa, the Far East and Latin America. The 1973 oil crisis helped to translate this interest into concrete overtures for a dialogue with the Arabs, though this may well have come to pass in the natural course of events. What the embargo did was to demonstrate in a dramatic way the connection between economic and political questions in international relations. For western Europe, the energy problem is economic in one sense, but it is also political in that the needed petroleum resources are largely under Arab sovereignty. More recently, western Europe has come to regard the eastern and southern Mediterranean states as closely linked to its own purely political security, a point that was made at the Helsinki Conference in 1975.

Despite the existence of both economic and political incentives on both sides to create an interregional partnership, the prevailing image of the EAD pictures the Arabs as primarily interested in a political accord and the Europeans as almost exclusively concerned with concluding advantageous economic agreements. This is a gross oversimplification,³ but it is true that the Community is neither willing nor able to go beyond a certain point in supporting Arab positions on the Middle East conflict. This has been disappointing to the Arab side, which feels that the special relationship they seek with western Europe depends to some extent on the Community's recognition of the PLO as a legitimate body and its refusal to maintain close relations with Israel until the occupied territories are relinquished. Yet the Arabs are still eager to pursue most of the economic projects which have been proposed in the course of the EAD.

Origins of the EAD

The Euro-Arab Dialogue emerged in the wake of the October War and was preceded by several preliminary expressions of intent. The first of these

3. See Rainer Lau, "Ein Dialog zur Klimapflege," *Die Presse/Süddeutsche Zeitung*, December 29, 1977.

was a statement made on November 6, 1973, by the Foreign Ministers of the nine member states of the European Community. This Brussels Declaration asserted that because of the ties that linked western Europe to the eastern and southern Mediterranean, they had decided to negotiate agreements with those countries. In the same statement they reaffirmed their commitment to Security Council Resolutions 242 and 338, emphasizing their opposition to the territorial occupation which Israel had maintained since 1967 and their belief that a just and lasting peace in the Middle East must take into account the legitimate rights of the Palestinians.

The Arab Summit Conference, which met in Algiers November 26–28, responded to this by noting the affinities between western Europe and the Arab states and stressing the importance to both of confident and mutually beneficial coöperation. Then in mid-December the heads of state of the Nine issued the Copenhagen Declaration, which affirmed the need for “negotiations with oil-producing countries on comprehensive arrangements comprising coöperation on a wide scale for the economic and industrial development of these countries, industrial investments, and stable energy supplies to the member countries at reasonable prices.” The Foreign Ministers of Algeria, Tunisia and Sudan and a Minister without Portfolio from the United Arab Emirates arrived in Copenhagen without invitation on this occasion. Following meetings with the Foreign Ministers of the Nine, they expressed the desire for long term coöperation, especially in the economic, technical and cultural fields.

It is an interesting footnote to the history of the EAD that these preliminary maneuvers are interpreted differently by the two sides. The Arabs hold that the Dialogue was started by the Community through the Brussels Declaration, while the Europeans maintain that the Arabs initiated it by sending the four ministers to Copenhagen the following month. It is really a moot point, for it seems clear that both sides were interested in developing a closer relationship with the other.

On March 4, 1974, the governments of the Nine called for a meeting between the presidency of the Community and designated Arab representatives to set up the machinery of a formal dialogue, which was expected to start with the convening of working groups and culminate in a conference of Foreign Ministers. The early stages of the dialogue were to consist of preparatory sessions in which committees of experts would seek to define possible areas of coöperation. These sessions would then be followed by the convention of a General Committee, assigned the task of clarifying the political framework and procedural structure of the dialogue. At the completion of this phase, the Foreign Ministers on both sides were meant to take specific decisions, transforming the dialogue into an operative relationship.

The Euro-Arab Dialogue was formally instituted in Paris on July 31, 1974. The European side was represented by the French Foreign Minister in his

temporary capacity as President of the EEC Council of Ministers and by the President of the European Commission. Representing the Arabs were the Foreign Minister of Kuwayt, then serving as President of the Arab League, and the Secretary General of the Arab League. It was agreed at this time that a General Committee should be established, but that it would not convene until a later date. In the interim, Working Committees of experts would meet to pinpoint specific areas of coöperation, and the results of their deliberations would be made known and discussed at periodic plenary sessions.

It was not until June 1975 that the first of these plenary sessions convened at Cairo. During the preceding months, relations between the two sides had become strained over two issues—the conclusion of a preferential trade agreement between the Community and Israel on May 11, 1975, and the objections of the Nine to the participation of a PLO delegation in the EAD. The continuation of friendly European-Israeli relations remains a source of concern to the Arabs, but the PLO problem was resolved by the so-called “Dublin formula” of February 13, 1975, which established the principle to two homogeneous delegations. In this way, Palestinians could participate in the Arab group without forcing the issue of their more specific identity.

At the Cairo plenary session the Working Committee structure was divided into seven categories: Industrialization, Infrastructure, Agriculture and Rural Development, Financial Coöperation, Trade, Scientific and Technical Coöperation, and Cultural-Social-Labor Questions. This inaugurated the technical work of the EAD, but equally important was the Joint Memorandum issued at Cairo, which asserted that: “The Euro-Arab Dialogue is the product of a joint political will that emerged at the highest level, with a view to establishing a special relationship between the two groups.” At the subsequent plenary sessions of Working Committees, held at Rome in July 1975 and at Abu Dhabi the following November, the idea of a “joint political will” was reaffirmed and areas of common endeavor were designated. But it remained clear that both sides had drifted apart over differing attitudes toward the political situation in the Middle East.

Political Problems

The political difficulties which have plagued the EAD since its inception have diverse origins. Most fundamental is the fact that the two blocs have different approaches to international political questions. The Community members identify themselves as “industrial” and “Western.” With a variety of qualifications, each of the Nine feels some affinity to the United States in global policy. In this respect they are relatively well disposed toward Israel and are disinclined to break relations with the Jewish state simply because they take issue with some of its policies.

The Arab League, on the other hand, has a "Third World" and "non-aligned" identity. It is also in direct confrontation with Israel and is committed to securing the evacuation of the occupied territories and an internationally recognized Palestinian state. To the Arabs in general, the present *status quo* in the Middle East is an abnormal state of affairs, and they assign highest priority to revising it. In entering a dialogue with the European Community, therefore, they were particularly anxious to gain support for their position on the occupied territories and the Palestinian issue, though they also saw many other advantages in the relationship.

The European Community has remained ambiguous on this question. They are willing to criticize Israel openly for not relinquishing the occupied territories and to affirm their belief that the Middle East conflict cannot be solved unless the "legitimate right of the Palestinian people to give effective expression to its national identity is translated into fact, which would take into account the need for a homeland for the Palestinian people." This statement issued by the European Council on June 29, 1977, and the Brussels Declaration of November 6, 1973, represent the strongest positions taken by the Community on the subject. But they have not been willing to recognize the PLO officially, specifically to endorse the establishment of a Palestinian "state," or to suspend their preferential trade agreement with Israel pending the evacuation of the occupied territories. The Arabs feel that their partners in the EAD have not gone far enough in this respect, and the differences between the two positions on the Middle East have obstructed the Dialogue.

Another dimension of the political dilemma confronting the EAD is the lack of a coördinated foreign policy among the members of each bloc. Though the European Community has gone far in achieving economic integration, they have made much less progress in the field of political coöperation. As the Foreign Minister of Belgium, Henri Simonet, has pointed out: "The European Community does not in fact yet possess a political personality of its own; it constitutes only the beginning of the expression of the joint political will of several states."⁴ The structure for economic coöperation and unification, based on the Treaty of Rome, is highly sophisticated. The system of political coördination, on the other hand, is relatively undeveloped and was not inaugurated until the early 1970s.

The European Council (heads of government) presides over the Community as a whole and often takes positions on broad policy questions at its semi-annual meetings. But below that level there are two distinct chains of authority—one concerned with the Community as an economic block (EEC)

4. Henri Simonet, "Energy and the Future of Europe," *Foreign Affairs*, 53, no. 3 (April 1975).

and the other with European political coöperation (EPC). The Foreign Ministers of the Nine convene as the Council of Ministers in the former connection and at Ministerial Meetings for Political Coöperation in the latter. But the two functions become distinct from each other as the chain of command descends.

Assisting the Foreign Ministers on the economic side is a Committee of Permanent Representatives (CPR), which is made up of ambassadors from each of the Nine to the European Commission. The Commission itself is the Community's executive arm and is often the initiator of EEC policy. It is also the guardian of the Community's treaties and presides over the technical aspects of economic coöperation.

On the political side, the Foreign Ministers are assisted by the Political Committee, which meets monthly and is made up of Political Directors representing each of the Nine Foreign Ministries. Aside from the division between economic and political coöperation, the Community's overall operation is run by a complex bureaucratic structure in which there are often rivalries among the Political Directors, the Permanent Representatives to the Commission, and the hierarchy of the Commission itself.⁵

The European side of the EAD is guided by offices in various parts of the structure.⁶ An EAD Ad Hoc Committee advises the CPR on matters affecting the Community budget, trade, scientific research and labor. But overall supervision of the EAD is handled by the European Coördinating Committee, which reports to the Political Directors and is made up of ambassadors from the Nine member states, who together with their assistants comprise the European delegation at meetings of the EAD's General Committee. There is also extensive input on EAD matters from offices in the European Commission, which advise both the EAD Ad Hoc Committee of the CPR and the European Coördinating Committee. The Commission is currently seeking an even greater rôle in the EAD, perhaps to the extent of sharing the European co-presidency with the designated president.

Though the European Coördinating Committee is the closest thing to a directive body for the European side of the EAD, it is limited in several ways. Each ambassador comes under the authority of his own Foreign Minister and often of his Political Director as well. He therefore cannot assume any initiative with regard to political positions in the EAD. Also, the member states of the Community have different attitudes toward the Middle East conflict. The Netherlands and Denmark tend to favor close ties with

5. See Werner J. Feld, *The European Community in World Affairs* (Port Washington, N.Y.: Alfred Publishing Co., 1976), pp. 48–56; and Erik Blumenfeld, "Political Cooperation," *European Community*, February 1978, pp. 10–13.

6. See Christopher MacRae, "Note on the Structure of the Euro-Arab Dialogue," European Commission information note, February 24, 1977.

Israel, while France and Italy are more pro-Arab in their foreign policies. The remaining five—the United Kingdom, Ireland, the Federal Republic of Germany, Belgium and Luxembourg—try to take a balanced position.

Consequently, the European delegation in sessions of the EAD's General Committee is restricted to policy statements already made at higher levels by the Nine as a group. Beyond this, the ambassadors in the European Coördinating Committee assume different rôles in their own foreign ministries. The ambassador from Belgium, for example, is primarily a political specialist, while his Italian counterpart is an economist and the French ambassador is essentially a coördinator. Another problem stems from the fact that the EAD is taken with different degrees of seriousness by the respective foreign ministries. Some consider it important; others are basically disinterested. In this connection, the EAD office at the Quai d'Orsay has unofficially suggested a better system of coördination between the EEC and EPC chains of command within the Community in matters concerning the EAD.

The problem of coördinating policies in the EAD on the Arab side is also difficult. The members of the Arab League are far more diversified in political and economic orientation than the states in the European Community. The forms of government range from monarchies to socialist régimes, and the foreign policies involved are often in sharp conflict with each other. Some of the countries are wealthy oil producers, while others are relatively poor. Though a number of states are quite advanced in terms of modernization and technocratic skill, some are very traditional and in the early stages of transition.

For these reasons, there are different attitudes toward the EAD among the Arab countries. The most interested contingents are Egypt, Tunisia, Syria, the PLO, Jordan and Iraq. Other Arab participants have been less active, though they are often concerned with specific projects, such as desalination in the case of the Gulf States. The representatives of the Arab League headquarters who have been involved in the EAD could play a positive rôle, but the League in general has never been able to coördinate Arab policies and projects to the extent that the Community has in western Europe.

The one issue on which there is a modicum of accord among the Arabs is the conflict with Israel. In seeking resolutions in the EAD's General Committee on such questions as the occupied territories and the Palestinians, the Arab ambassadors are able to establish a degree of unity among themselves. But though they have a genuine concern with these matters, their European counterparts view the preoccupation with the Middle East crisis as a way of concealing their own divisiveness in other fields. Of particular concern is the fact that whatever solidarity the Arabs did have has been undermined by the current rift between Egypt and the rejectionist camp, a development which has seriously impeded the functioning of the Dialogue.

Economic Problems

Since the EAD became operative three years ago, the various Working Committees have been attempting to define potential areas of economic coöperation. Some progress has been made on projects for the improvement of infrastructure and agriculture in the Arab countries, and feasibility studies are under way in connection with port development in Syria, an irrigation scheme in Somalia, meat production in Sudan and potato farming in Iraq. But serious differences exist between the two sides in such important fields as industrialization, transfer of technology, trade, finance and labor relations.

The Arab states assign a high priority to industrialization because they anticipate a time in the not-too-distant future when their economies will rely to a considerable extent on the long term asset of indigenous industries. For the moment, they are particularly interested in expanding their own petroleum refining facilities as an initial step in a broader industrialization program. For the European Community, however, this presents what is viewed as a serious economic disadvantage. The refineries of western Europe are now operating at about 60 per cent of their actual capacity, and a further expansion of the existing refineries in the Middle East could seriously disrupt the European economy. This is especially true since the availability of low cost crude oil and surplus capital in some of the Arab states gives them a competitive advantage. Beyond this, there is the fact that over 80 per cent of the Community's exports to the Arab world are industrial products, and a radical increase in Arab industrial capacity would undermine an important market for western Europe.

Claude Cheysson has taken the position that "As we help these countries industrialize, we are going to build up competition for our own markets as we open these to developing countries and help the latter begin to penetrate them. But the rate of development grows much faster than this competition. Already now . . . our exports of steel to developing countries are increasing, although the latter's capacity to produce steel is also increasing. For this expansion is happening less rapidly than their requirements demand."⁷ Mr. Cheysson is well known as an advocate of a new pattern of relations with the Third World, but many other officials in the Community are sceptical as to where this will lead. And there is already fear that the Arab oil producers are considering the possibility of making the supply of crude oil conditional on European purchase of refined products as well.

Closely related to the question of industrialization is the transfer of technology. Here again, there is disagreement between the two sides. The Arabs

7. From a speech by Claude Cheysson at the Conference on Europe and the Arab World, convened by the British Section of the European League for Economic Development, November 9, 1976.

seek the establishment of a purely Arab technological center with only technical assistance from the Europeans. The Community, on the other hand, prefers a Euro-Arab center which would be co-directed, though it would probably be situated in an Arab country. As in the case of industrialization, the problem is one of control. To protect themselves from what they see as a potential threat to their own economies in the future, the Europeans seek to maintain certain limits on Arab technological development, while the Arabs themselves want unrestricted growth in a wide range of economic fields. The prospects are rather good, however, that a Euro-Arab technological center of some sort will be established, and Tunis and Alexandria have been suggested as prospective sites.

Coöperation in the field of trade is another thorny issue between the two sides in the EAD. Since 1970, exports from the Community to the Arab world have increased by over 385 per cent and Arab exports to the Community have multiplied by about 250 per cent. This dramatic rise in the volume of commerce has caused each region to take a particular interest in trade relations with the other. The major conflict that has arisen in the EAD is that the Arabs are anxious to conclude a region-to-region preferential trade agreement with the Community, while the Community itself prefers to negotiate such agreements with individual Arab countries, but not with all of them as a group.

The Community already has preferential trade agreements with half of the 22 Arab League members. Four of these—Somalia, Sudan, Mauritania and Djibouti—are members of the Lomé Convention, concluded between the Community and 46 countries in Africa, the Caribbean and the Pacific (APC) on February 28, 1975.⁸ Under the Lomé system, the ACP states have preferential access to the European Community market without reciprocity, and in exchange the EEC's industrial products enjoy a "most favored nation" status in the ACP group. The Community signed similar accords with Algeria, Morocco and Tunisia in April 1976, with Egypt, Jordan and Syria in January 1977, and with Lebanon in May 1977. These are known as the Maghrib and Mashriq Agreements, respectively. Though some thought is being given to assisting the two Yemens under the Community's "Aid to Non-Associated States" program, the Europeans are opposed to going beyond that point in the Arab world.

The reasoning behind this is that the oil producing Arab states do not need preferential trade agreements and that the Community's current trade deficit with the Arab world is in the vicinity of \$14 billion,⁹ owing to the heavy importation of Arab oil. There is also a preference among the community members for bilateral country-to-country trade accords. At least, they view

8. See *The Courier*, No. 31 (Special Issue), March 1975.

9. Statement to the EAD General Committee session in Brussels, October 26–28, 1977, by Klaus Meyer, Director General for Development in the European Commission.

such arrangements as a continuing practice which will always complement any interregional agreements.

The Arab preference, however, is for a region-to-region approach. They emphasize the importance of establishing a "special" relationship with western Europe, and feel that the Community's separate trade agreements with individual Arab countries may be disadvantageous to them as a bloc. One specific concern on the Arab side is the recent EEC decision to restrict the importation of textiles from certain Arab countries which have preferential agreements with the Community. This action was taken under safeguard clauses in the accords, and the purpose was to protect the European textile industry from a market crisis being caused by a large volume of Arab textile imports. But the Arabs viewed the action as contrary to the spirit of the EAD and the coöperation agreements concluded with certain Arab countries. It is for this reason that they favor an interregional approach to the whole question of trade.

In the field of financial coöperation there is yet another disagreement between the two sides. The Community is interested in stimulating the investment of Arab petrodollars in western Europe and there is a corresponding desire to do so in the oil producing states. But the Arab side in the EAD has asked that such investments be guaranteed against inflation, a condition which none of the Nine is even willing to consider. The Working Committee on Financial Coöperation, however, is trying to resolve this difference of opinion by laying the groundwork for a Euro-Arab Convention on the Protection of Investment. The Community stresses the importance of approaching this subject in terms of cross-investment and mutual protection, and if they can win the Arabs over to this view, the problem may be solved through a comprehensive accord on financial coöperation. In the meantime, however, the Arab position on protection of investments has reportedly led some of the larger European corporations to avoid financial arrangements with the Arab states.

The major issue surrounding the whole question of labor relations in the EAD is the condition of Arab migrant workers in western Europe. The most prominent case in point is the large Algerian labor force in France, which comprises a kind of sub-proletariat in the cities and is employed in the less desirable unskilled jobs. The Arabs are seeking interregional guarantees for these workers, particularly in regard to employment security and social welfare benefits. But the Community regards any binding convention on Arab migrant workers as outside its jurisdiction, and it seems most likely that this matter will be left to the member states to iron out with the countries from which the workers originated.

There are two further points to be made in connection with the broad range of Euro-Arab economic coöperation. In western Europe a great deal of economic activity remains in the private sector, while in the Arab world it

is to a larger extent under state control. Both the Community as a bloc and the governments of its members are limited in their authority to make economic commitments with the Arabs as a group. When it comes to commercial coöperation and transfer of technology in particular, they are restricted in their actions by the willingness of the private sector to coöperate and by pressures brought to bear by local business interests through the political systems. This structural difference between the two regions is therefore an added impediment to the Community in its attempts to effect modes of economic coöperation through the EAD.

Finally, the global economy is increasingly transnational. The multinational corporations play a big rôle in interregional economic intercourse and their activities place further restrictions on the degree to which either bloc of powers can regulate trade, finance, technological change and resource supply. This raises the question of how much the EAD can do to integrate the economies of the two regions.

The General Committee

The General Committee was instituted at Paris on July 31, 1974, and is the managing body of the EAD. It is made up of the ambassadors in the European Coördinating Committee and their counterparts from the members of the Arab League. The General Committee has convened on three occasions: in Luxembourg, May 18–20, 1976; in Tunis, February 10–13, 1977, and in Brussels, October 26–28, 1977. Each of these sessions was co-chaired by the rotating presidencies of the European Community and the Arab League, and the deliberations focused on establishing common platforms in the political and economic fields.

In the political sphere, there has been a gradual but far from complete closing of the gap between the positions of each side on the Middle East conflict. At Luxembourg it was agreed that the Euro-Arab relationship does have a political dimension involving geographical proximity, common interests and a mutual concern over the threat to international security posed by the prevailing situation in the Middle East. Both sides were also agreed that recognition of the legitimate rights of the Palestinian people remains a crucial factor in the achievement of a just and lasting peace between the Arabs and Israel. In this connection, the Nine reaffirmed the Brussels Declaration of November 6, 1973, and a similar statement that they had made to the UN General Assembly on December 10, 1975. The Arabs also called for the participation of the PLO in all international peace efforts.

The Tunis session of the General Committee reaffirmed the positive attitude of both sides toward the EAD and the continuing existence of a "joint

political will." Mutual concern was expressed over the stalemate in the Middle East conflict and the need for a just and lasting peace. The Europeans reiterated their commitment to the Brussels Declaration and the belief that a final solution must be based on the legitimate right of the Palestinian people to give effective expression to their national identity. They also declared their opposition to the establishment of Jewish settlements in the occupied territories and to Israel's alterations in the status of Jerusalem.

Between the Tunis and Brussels conventions of the General Committee, the European Council had taken a somewhat stronger position on the Middle East conflict in its Declaration of June 29, 1977, which endorsed the legitimate rights of the Palestinian people to establish a "homeland." But at the Brussels conference itself there were no additions to this on the European side. The final communiqué included the full text of the European Council's statement and also passages from a General Assembly resolution of October 27, 1977, which condemned Israel for its policies in the occupied territories. All nine of the Community members had voted in favor of this resolution. Nevertheless, at Brussels the Community delegation did not respond to the Arab co-chairman's suggestions that the Nine should recognize the PLO as the legitimate representative of the Palestinian people and suspend economic and military assistance to Israel until the occupied territories were evacuated.

In the economic sphere, the three sessions of the General Committee have defined specific agricultural and infrastructure projects to be carried out in Arab countries, but have otherwise returned the more difficult questions concerning finance, trade, industrialization and the transfer of technology back to the Working Committees.

In procedural matters, the Luxembourg conference established the machinery and work programs of the EAD, which were further refined at the subsequent meetings of the General Committee. But some structural changes which the Arabs sought were left in abeyance by the Community. At all three sessions the Arab side has strongly recommended that the General Committee be convened on the foreign minister level to give the EAD a stronger rôle in shaping common policies for the two regions. Though the Europeans agreed to this in principle, they actually have no intention of arranging such a meeting, though they are not opposed to the attendance of some Foreign Ministers at forthcoming sessions of the General Committee.

At Tunis, the Arab side proposed the creation of a Political Working Committee within the EAD to help resolve some of the disparities in regional policies on the Middle East conflict. Though the Europeans agreed to take this into consideration, they are in fact opposed to such a committee and were relieved when the Arabs decided not to bring it up again at the Brussels conference. Finally, there has been a continuing silence on the Community's part with regard to the repeated Arab requests that the Nine give recognition to the PLO as the legitimate representative of the Palestinian people.

Though some of the Community members have made significant gestures in this direction as governments, the general position among the Nine is that they as a group will not be the first to make this an official policy.

Future of the EAD

Rainer Lau, coördinator of the European Commission officials assisting the various Working Groups, has called the EAD a success in the sense that it has produced and nourished a better political and economic climate between the Community and the Arab League.¹⁰ While recognizing that there has not been a great deal of progress in implementing concrete projects, he insists that the relationship must be pursued with a view to long term results, and advocates a combination of patience and persistence. In this connection, it should be noted that the Working Committees have made slow but continuous progress in exploring new fields and defining areas of coöperation.

There are a number of positive signs with regard to the EAD's future. Aside from the fact that the members of the two delegations have come to know each other personally and want to continue the Dialogue, they are trying to bring the relationship into sharper focus. The Nine are currently working on a position paper which will define more clearly what they would like to accomplish in the EAD. Since the Brussels meeting of the General Committee, the Arab side has expressed a determination to seek concrete results, placing less emphasis for the timebeing on a Euro-Arab consensus with regard to the Middle East conflict. In this sense, the EAD has been depoliticized to some extent,¹¹ and this opens the possibility of converting what has been called "two monologues" into a real dialogue.

At the moment, the Arabs are more affirmative about the EAD than their European counterparts. Saudi Arabia and Egypt, both deeply concerned by the rifts in inter-Arab relations, are anxious to bolster the Arab League and feel that positive achievements in the EAD would be helpful. This is why Saudi Arabia has already paid \$2 million of the \$15 million Arab commitment to finance some of the EAD's projects.

The Palestinians have also played a constructive rôle within the Arab delegation and exercise a moderating influence by encouraging a technocratic approach to the relationship. It is the Palestinian contingent, for example, which is currently suggesting that at the next session of the General Committee the Arab delegation should insist that the EAD focus on a few specific projects which can be implemented. The Euro-Arab Center for Technology and a reciprocal code for protection of investments now seem the most likely

10. Lau, *op. cit.*

11. *Ibid.*

to materialize, though there is some possibility of a Commercial Center as well. It was also the ranking Palestinian representative in the Arab delegation, Ahmad Sidqī al-Dajānī, who said at the Luxembourg conference: "We wish to state clearly that we do not ask of western Europe what it cannot do, and our talk about its ability means within the limits of its capabilities."

Some efforts have been made on both sides to facilitate the procedural machinery of the EAD. Ismail Khelil, the Tunisian Ambassador to Belgium and one of the most active Arab diplomats in the General Committee, has proposed the establishment of a permanent secretariat in Brussels to represent the Arab League in matters pertaining to the EAD. This has been held up for the moment because of reservations about it at the Arab League headquarters in Cairo. But should the idea ever materialize, the channels of communication between the two sides would be vastly improved.

The Europeans, for their part, have begun to develop the technique of using small delegations to represent them in negotiations or planning on various levels. On the General Committee level, such a delegation is usually made up of the current president of the European side, along with his predecessor and successor, and it is therefore referred to as the "troika". The use of representatives in this fashion overcomes some of the disadvantages of discussions involving large numbers of delegates, and also provides continuity on the European side.

The future of the EAD depends in large part on the ability of both sides to identify goals, needs and possibilities. It is essential that they recognize more precisely the fact that economic and political questions are closely linked, for one of the major obstacles to the transition from dialogue to implementation is the lack of a sufficient political will to create an economic relationship. It is also important that the two parties see the advantages of an interregional approach which concentrates on development and the expansion of the already extensive system of economic interaction.

Yet the fact remains that the Arabs are very divided as a group and that the present political machinery of the Community is inadequate to produce the political will needed to transform the EAD into an interregional partnership. Beyond this, the Europeans do not seem to have grasped fully the ultimate importance to them of such a partnership and, in Claude Cheysson's view, one of the problems in this respect is that their governments are not oriented in terms of long range planning.¹²

In the context of international politics, the Europeans are able to agree on broad policies with regard to the Middle East conflict, but not on details. During the period when Henry Kissinger was the American Secretary of State, they adhered to his demand that the Community keep politics out of the EAD. But under the Carter Administration they feel less constrained in this

12. Speech by Cheysson, *op. cit.*

respect. Their present inclination, however, is to keep a low profile in Middle East affairs and give President Carter every opportunity to resolve the conflict. They also maintain a continuing liaison with Washington on Middle East policy. But it was Carter himself who helped to develop a more positive attitude in western Europe toward the Palestinians, as reflected in the European Council statement of June 29, 1977, and the affirmative vote by the Community members on the General Assembly Resolution of October 27, 1977.

Another factor in the Community's more flexible policy on the Middle East has been the peace initiative launched by President Sādāt, which noticeably improved the Arab image in western Europe. Despite the opposition to Sādāt's visit to Jerusalem in many Arab quarters, the action helped to overcome the negative response of many Europeans to what they regarded as a "black and white" presentation of the Arab position on the Middle East conflict.

In general, however, Europeans tend to recognize that, however important the American connection may be in the global arena, Europe does in fact have other interests. One of these is Mediterranean affairs, in which the Arabs play such a prominent rôle. And in this connection, the Palestinian economists, Bisharah and Na'im Khadir, have suggested that: "American and European interests in the Arab world are contradictory. Every step forward by Europe means a step back by the United States, whether it is on the economic or political plane. It is therefore essential that Europe should be free to adopt a policy independent of the United States. If not, the Euro-Arab Dialogue can never go further, in achieving concrete results, than the limits fixed by the United States. Those limits will, of necessity, be narrow ones."¹³

It is difficult to predict at this stage how far the EAD will go in constructing an interregional partnership. But it is certain that western Europe and the Arab world need each other in many respects. They are in a profound sense interdependent. Whatever comes of the EAD as an exploratory venture, it is unlikely that we have seen the end of the search for a comprehensive system of Euro-Arab coöperation.

13. Bisharah and Na'im Khadir, "A Difficult but Necessary Dialogue," *Eurabia* (publication of the Coordinating Committee of Friendship Societies with the Arab World, Paris), No. 2 (July 1975).