

# 6 PAPERS IEMed.

joint series with EuroMeSCO



## Adjusting to External Norms and Standards of the “West”: The Case of Israel

Alfred Tovias

# IEMed.

**European Institute of the Mediterranean (IEMed.)**

**Consortium formed by:**

Ministry of Foreign Affairs and Cooperation  
Government of Catalonia  
Barcelona City Council

**President:**

**Artur Mas**

President of the Government of Catalonia

**Vice-Presidents:**

**Trinidad Jiménez**

Minister of Foreign Affairs and Cooperation

**Joana Ortega**

Vice-President of the Government of Catalonia

**Xavier Trias**

Mayor of Barcelona

**President of the Executive Committee:**

**Senén Florensa**

**Director General:**

**Andreu Bassols**

**Board of Trustees:**

Caixa d'Estalvis i Pensions de Barcelona  
Cambra de Comerç, Indústria i Navegació de Barcelona  
El Consorci. Zona Franca de Barcelona  
Endesa  
Iberia  
Telefónica  
Consell Interuniversitari de Catalunya

**PapersIEMed.**

Published by the European Institute of the Mediterranean

Coordination: Pol Morillas

Proof-reading: Neil Charlton

Layout: Núria Esparza

ISSN: 1988-7981

Legal deposit: B-27445-2011

October 2011

In October 2010, EuroMeSCo and the IEMed launched the first Euro-Med Call for Papers, whose objective was the preparation and development of research papers with the goal of contributing to a greater understanding of the Euro-Mediterranean reality in its distinct political, socio-economic and cultural aspects, and providing proposals to improve it. The Euro-Med Call for Papers was open to experts and researchers linked to research, study and analysis centres and institutes focusing on the Mediterranean reality, members of the EuroMeSCo network. The IEMed, in collaboration with EuroMeSCo, is now publishing the documents accepted by the jury of the Euro-Med Call for Papers.



Project funded by  
the European Union



EUROMED

This publication has been produced with the assistance of the European Union. The contents of this publication are the sole responsibility of the author and can in no way be taken to reflect the views of the European Union or the European Institute of the Mediterranean.

## **CONTENTS**

---

# Adjusting to External Norms and Standards of the “West”: The Case of Israel

*Alfred Tovias\**

<b>INTRODUCTION</b>	<b>6</b>
<b>THE SURFACE: TAKING STOCK OF EU-ISRAEL RELATIONS</b>	<b>8</b>
<b>DISTINGUISHING BETWEEN ECONOMIC AND INSTITUTIONAL CONVERGENCE</b>	<b>12</b>
<b>ADJUSTING TO THE OECD</b>	<b>16</b>
<b>THE EUROPEANIZATION OF ISRAEL</b>	<b>20</b>
<b>STRUCTURAL CHANGES IN THE EU OVER THE LAST TWO DECADES</b>	<b>22</b>
<b>CONCLUSION</b>	<b>26</b>
<b>REFERENCES</b>	<b>28</b>

---

\*Jean Monnet Chair and Chairman of the Department of International Relations at the Hebrew University.

## Introduction

---

Approximation and convergence between Israel and the EU has taken place almost by stealth. On the one hand, Israeli customs, habits, norms, standards and culture are very close to those of the EU and indeed in many instances closer than those prevailing in some of the new Member States before joining the EU in 2004 and 2007. And, overall, Israel's and the EU's economic, social and demographic structures have been converging in the last two decades to the point that, for instance, adoption of the *acquis* in 2015 should be less of a hassle than at any time before. One of the reasons for the convergence is globalization. Basically, Israel has joined the West. Deep integration is only possible between like-minded countries, preferably not-too-distant geographically. That explains why Israel is a natural member of the European space, long before becoming a legal member. Israel is being Europeanized. On the other hand, although geographical distance is less important as a factor of economic integration than in the past, it so happens that the 2004 and 2007 enlargements have shifted the EU's centre of gravity to the South-East in the direction of Israel and brought the EU itself closer to Israel. In addition, globalization has promoted societal changes in the European welfare state which must confront the same problems which Israel has been facing since its creation (the treatment of minorities, absorption of migrants, personal security). In other words, in some respects the EU-27 share more overlapping characteristics with Israel than the EU-6, EU-9, EU-15 and EU-25.

## **The Surface: Taking Stock of EU-Israel Relations**

---

In April 2009, the European Union and Israel marked fifty years of partnership celebrating the 1959 establishment of official diplomatic relations between Israel and its European neighbors. During this period of relations, many successful milestones have been met which have increased economic, cultural and political cooperation and interdependence between the EU and Israel. How this relationship will continue to evolve is as much a critical topic to the EU as it is to Israel as the latter seeks to advance forward in the context of the European Neighbourhood Policy (ENP), inaugurated in 2003. In March 2007, EU and Israeli leaders reached a mutual consensus to establish a framework for enhancing relations, referred to as the "Reflection Group", which would seek to identify new opportunities for cooperation, integration and areas of interdependence. This decision was based on different models that first the EC and then the EU considered to further develop closer relations with non-member countries. In parallel and quite significantly, in a June 2008 report on the European Commission's enlargement strategy, it was noted by the former chairman of the European Parliament's Foreign Affairs Committee "something between the European Neighbourhood Policy and full-fledged membership" should develop between the EU and its neighbors. That obviously includes Israel. Not surprisingly, its government is interested in pursuing the bilateral track favored by the ENP because it better takes into account Israel's high development level than the old Euro-Mediterranean Partnership (EMP) launched in 1995 and since 2008 the Union for the Mediterranean (UfM). Moreover, Israel among ENP countries has least to fear from the positive conditionality built into the ENP and which has worried so many, such as President Buteflika of Algeria or former President Ben Ali of Tunisia. The reason: Israel, a Western democracy and a developed country, by and large shares norms, standards and values prevailing in the EU. And the EU does not intend to transform the political system of Israel.

However, yet again there have been signs for about two years at the time of writing that the Israeli-Palestinian conflict is "contaminating" the new UfM and also EU-Israel bilateral relations using the jargon heard often in European chancelleries. For instance, the Gaza conflict (Operation Cast Lead) resulted in the suspension for many months of the Senior Officials meeting already scheduled for early 2009, which was to deal with critical organizational matters related to the UfM. Some progress was made in autumn 2010, but the UfM Secretariat took until that year to be put in place. However, its first top officer, a Jordanian, resigned in spring 2011 alleging lack of means to carry out his job. Only recently has a new Chairman of the Secretariat been chosen, a Moroccan citizen. Another major event politically affecting EU-Israel relations has been Judge Goldstone's Report on the Gaza War ordered by the UN. Not surprisingly, the present government has more communication difficulties with the EU than the preceding one of the Olmert/Livni tandem. The EU has decided to postpone sine die implementation of the Action Plan (AP), of which more below. But it does not speak of a "freeze". The present AP expired at the end of 2009 but was extended on an ad hoc basis, without Israel obtaining the up-

grade it was counting on getting more than two years ago. And the EU is also intimating that there will be no more progress in the context of the ENP without a settlement freeze. In addition, although European public opinion admittedly does make ample waves, in the UK a core group of anti-Zionist activists has persisted for a long time in de-legitimizing the State of Israel. Proposals for a boycott of different Israeli sectors do surface repeatedly, although for the moment without much success. It is notable that EU institutions and officials have always declared that they are against any trade or academic boycott of Israel. In fact, the idea of the boycott is not taking off not only for political but also for legal and economic reasons.

Contrasting with the above, new bilateral relations of Member States with Israel can be described as a permanent honeymoon, but more to the point Israel's relations with the present German, French, Italian and British governments remain under *beau fixe*. To cap it all, relations with Spain, which was the exceptional case until late 2009 among large EU countries, are developing smoothly as the Zapatero government declared then that it wished to rapidly establish better relations with Israel in the perspective of the Spanish EU Presidency of 2010, which it later did.

Moreover, in spite of the EU insisting that political and economic relations cannot be decoupled, the simple reality is that very significant progress in deepening EU-Israel relations is being made every day out of public sight. Among fairly recent bilateral agreements signed between the EU and Israel is one on laboratories following the AP concluded between the two sides under the ENP. Negotiations on an Open Sky agreement between Israel and the EU have proceeded smoothly. A very important agreement on agricultural products was reached in November 2009 between the EU and Israel which ultimately should lead to free trade. No transition periods are provided for and the concessions contemplated entered into force on 1st January 2010 with no need for ratification. Both sides rushed to sign the agreement hoping to beat the entry into force of the new Lisbon Treaty. Had the race not been won, ratification by the EP would have been needed. Winning the race was a remarkable feat in view of the fact that the negotiations were completed long before and the new agreement could in fact have already entered into force in 2008. It covers 95% of food trade between the two countries, which is very significant for Israel as in 2008 the EU-27 represented, for example, a market absorbing more than 44% of total Israeli food exports. Remaining variable levies and import quotas have been phased out. In fact, agricultural products are now incorporated into the normal free trade regime applied to industrial products since 1989, but for specific lists appearing in several protocols excluding a series of goods from the free trade regime (thus proceeding with a negative list of exceptions to the rule rather than a positive list of goods benefiting from free trade as before). Goods listed in the protocols are still considered to be sensitive and therefore tariff reduction or elimination are confined to a quota, as in the past, reflecting "traditional trade flows." This is mainly the

case for Israeli exports to the EU. In the reverse direction, from the EU to Israel, in most cases only tariffs are maintained, but these can still be huge. The agreement is to be reviewed on 4th November 2012.

Therefore, looking at the surface of the EU-Israeli relationship the glass apparently is half-empty or half-full, depending on the viewpoint of the onlooker. But under the surface there is much more going on.

**Distinguishing between Economic  
and Institutional Convergence**

---

Before anything else, this paper assumes that by "Europeanization of Israel in the last two decades" there is something taking place that goes beyond sheer convergence in macroeconomic and socio-economic indicators between Israel and the EU-27. But the latter cannot be neglected either. A few comments are essential here.

According to IMF figures, in 2010 Israel's GDP per capita at market prices reached 27085\$, still lower than that of Spain but not by much (29875\$). By way of example, in 2009 the corresponding figures were 26175\$ and 31774\$ respectively. In PPP terms, Spain's, Italy's, Israel's and Greece's GDP per capita (in this order) were almost identical in the same year (all around 29000 PPP \$). That means basically that as from 2010 Israel has reached living standards identical to the average EU standards. If we use median GDP per capita measured on a PPP basis, it appears that Israel would now be the median country among an EU of 28 countries including it (that is, its GDP per capita exceeds that of all the 12 new member countries, Portugal and Greece). That was not the case in the past. The convergence from below of Israel's GDP per capita towards the EU's median average is due to two reasons. One is the mechanical expansion of the EU from 15 to 27 Member States with the enlargements that took place in the last decade. The second explanatory factor is that the growth rate of Israel's real GDP per capita has been higher than the corresponding one in the EU-27 for the last decade, although lower for the crisis years of 2001-2002. The growth rate of Israel's real GDP per capita has been higher than the corresponding one in the EU-27 for eight years and lower for six years in the 14 years ending in 2010. Thus there has been a slight convergence when comparing EU-27 and Israeli living standards. But the real growth rate of Israel's GDP has been consistently superior or equal to that of the EU-27 since 1997, except for the years 2001 and 2002 (when it was negative). The gap in favor of Israel was reached in 2005 when the respective rates were 5.2% and 1.7% respectively. This means that the share of Israel's economy in the aggregate GDP of the EU-27 and Israel has been increasing. Gross fixed capital formation (investments) as a share of GDP are similar (around 18% to 20% in the last decade), which means that the higher Israeli productivity in the last 10 years probably results from a higher participation of women in the labor force. Saving rates are almost identical.

Turning now to labor markets, Israel's total unemployment rate has been consistently higher than the EU-27's average rate in the last decade but here there has been convergence, as the EU-27's average went down from 9% in 2003 to 7.9% in 2006, while the Israeli rate diminished from a record 10.7% to 8.4%; the last figures available also show that the unemployment rate is "only" 6.1% at present; in other words, Israel's unemployment rate became by the middle of the decade similar to the one prevailing in the EU-27 and higher than in the US. But this is no longer the case. For at least three years, with the ongoing financial crisis in the West, unemployment rates in the euro-zone have shot up (for example, the current unemployment rate is 20.3% in Spain). More significantly, employment growth rates have been consistently higher in Israel than in the EU-27 for

every year since at least 1996. Given that the Israeli labor force participation rates have been consistently lower than in the EU in the past (because of extremely low participation rates in the Jewish orthodox and Arab sectors), the numbers above point to convergence between Israel and the EU-27. Moreover, the current Israeli unemployment rate is much lower than the one prevailing in the US.

It is well known that Israeli inflation rates, which in the period 1995-1998 were still hovering around 8%, have drastically diminished since remaining mostly under 2%; in the same period the EU-27's average has been 2%. Thus, here again Israeli rates have been converging to the EU's average.

Finally, in the macroeconomic field, one must note that although Israel's general government debt as a percentage of GDP is consistently higher than in the EU-25 (for example, for 1998 102.5% and 67.5%, respectively; for 2006 87.8% and 62.2%, respectively), we see again a clear Israeli converging trend towards European levels. This convergence has been reinforced by the present economic and financial crisis as debt ratios have been shooting up in many EU countries (with the extreme cases of Greece, Portugal and Ireland concerning the whole world today).

As a matter of fact, Israel would be a net donor in budgetary terms in an EU including the 12 new Member States. Israel's GDP per capita is larger than that of any of the latter. And Israel's GDP is larger than that of 11 of the 12 new Member States (the exception being Poland). Contrasting with their case, integrating Israel into the EU would not require pre-accession aid from the latter.

The above must be separated from another distinct, although somehow related, phenomena: on-going institutional convergence of Israel on European norms and ways of acting.

It took the EU many years to recognize that it was inappropriate to place Israel among the class of Mediterranean Non-Member Countries in its system of foreign relations. That had become a habit since the 1970s when the first Global Mediterranean Policy of November 1972 was launched, which interestingly was also applied to the case of Spain and Cyprus. However, as is well known, the EC had no problem in upgrading and switching the latter two to the European class once the first became a democracy in the late 1970s and the second asked for membership in the 1990s. Not so Israel, which, mainly for political and institutional and not geographical reasons, was left in the Mediterranean group.

The years of the Oslo Process (1993-2000), although leading to an improvement of Israel-EU political relations, did not translate into much institutional convergence. Israel became part of the Euro-Mediterranean Partnership, together with the Arab Maghreb and Mashreq countries, as one more of the Mediterranean partners.



But quite significantly, although discreetly, in 1996 Israel became a member of the EU's 4th Research and Development Programme. This status has been renewed repeatedly, with Israel also participating in the 5th, 6th and 7th Programmes. These small steps were then followed after 2003 by two important developments, one taking place in the EU and the second outside.

In 2003, the EU decided for its own reasons to initiate the so-called European Neighbourhood Policy (ENP), addressed to a series of countries more or less bordering the enlarged European Union slated to include 27 Member States several years later. Among other things, the EU decided that Israel was a neighbor. As such it could benefit from a new approach called "differentiated integration," whereby neighbors wishing and able economically to come closer to the EU could choose to do so, of course in coordination with the EU.

Israel has been a member of the UN's Economic Commission for Europe for a number of years and has become accustomed to cooperating with European countries on a vast array of economic and social matters. But in terms of convergence with the EU institutionally the most important step taken by Israel has been paradoxically by acceding to another international organization, namely the OECD in May 2010.

**Adjusting to the OECD**

---

Israel was invited in May 2007 by the OECD to start negotiations for its inclusion in the organization. More than half of the OECD's membership is made up by EU member countries.<sup>1</sup> This means that EU countries have openly approved Israel being part of the OECD. It must be emphatically stated that pressure from the US was practically unnecessary. Over time, inclusion of Israel in the OECD became self-evident.

Israel is the 33rd member of the OECD and the only one in the Middle East. In an induction seminar in mid-2010, OECD officials stated that its entry was due to adoption of open market policies, sound fiscal policies and its evolution towards a knowledge-based economy. It was done on merits. José Ángel Gurría, the Mexican Secretary General of the OECD, stated in a conference attended by the author of this paper that Israel had done its homework and had shown a degree of familiarity with the OECD's way of doing things much greater than that prevailing in the other three countries entering at the same time as Israel (Chile, Estonia and Slovenia; note that initially Russia had to be taken in too!). But that this was not enough. Israel had much to learn from other OECD countries to improve policy-making and develop international standards to address global challenges. To start with, at the induction seminar, a full day was devoted to the matter of statistics (methodological features, data collection and international comparability). And, after accession, Israel has still to cover huge remaining legislative gaps in environmental and energy matters; in shipping and in development aid. It has already had to make many legislative changes regarding anti-corruption legislation before entering.

Here are a series of examples of efforts to be made by Israel according to an official document of July 2008 established by the International Department of the Ministry of Finance:

- Regarding the Declaration of Paris on Aid Effectiveness, it states that Israel accepts this Declaration with the exception of the target rate of aid set in the declaration. It says that Israel acts in accordance with the (five) principles in the document; however, that Israel's rate of aid is lower than the target rate set in the declaration (Israel's rate of aid stood at 0.07% of GNP in 2004 and 2005, similar to the rates of most non-DAC-member OECD countries: Poland – 0.05%/0.09%, Slovakia – 0.07%/0.1%, Hungary – 0.07%/0.1%, South Korea – 0.06%/0.1%, respectively). Israelis are not willing for the moment to be part of the DAC. Admittedly this is pretty ridiculous because Israel has the same GDP per capita as Spain, Portugal, and Greece. Spain has been in the DAC for a long time. Here is where peer pressure will help.
- On Frontier Regions, there is an OECD Decision of the Council on the Exchange of Information Concerning Accidents Capable of Causing Transfrontier Damage – which Israel accepts with the following quite singular observation: "Israel does not share a

---

1. 19 EU members are part of the OECD. Estonia and Slovenia were invited to join in the same call extended to Israel.

common frontier with any OECD member country therefore it is not applicable." However, as a way of soothing the sensitivities of OECD members it says that Israel and Mediterranean countries cooperate within the Mediterranean Action Plan (MAP) of the 1976 Barcelona Convention. Clearly, progress in this domain hinges on progress in peace negotiations.

- On fiscal affairs, there is the so-called Recommendation of the OECD Council on the Use of the OECD Model Memorandum of Understanding on Automatic Exchange of Information for Tax Purposes. At this stage Israel does not accept this Recommendation. It says, for instance, that Israel transfers information regarding taxation on an ongoing basis to those countries with which it has entered into tax treaties. The information is transferred on the basis of a request from the other country. Israel does not currently provide information to other countries on an automatic basis. Information may be transferred to a foreign tax authority only by virtue of an exchange of information clause included in a tax treaty between the two parties. Israel's tax conventions do not refer to automatic transfers of information. Moreover, the transfer of information by request according to Israel's tax conventions is, in some cases, permitted only in connection with information related to the treaty's implementation. The adoption of the OECD documents in this area will require the amendment of Israel's tax conventions and the amendment of cooperation agreements in the areas of VAT and customs duties. Moreover, there are three countries (Iceland, Australia and New Zealand), among the OECD countries with which Israel has not signed any tax conventions, and the transfer of information to these countries has to be subject to the prior signing of tax conventions with them. What emerges from a reading of the document is that basically this is a budgetary issue. Money is needed to organize the whole thing and the document says it is unavailable. When the government allocates enough funds everything will be OK. So no problem after all...

These are some examples which give a flavor of how this has been done. What remains is small change compared with what has already been achieved (but maybe for environmental matters). However, it must be noted, and this seems fairly obvious from the above, that the process of adjustment to OECD requirements has absorbed a great deal of time and human resources of Israeli government offices and the Knesset, automatically detracting from the attention that was previously given to the bilateral relationship with the EU.

## The Europeanization of Israel

---

There are two ways to think about Europeanization:

- Europeanization as transformation of identities: becoming more European-like.
- Europeanization as becoming more EU-like: a process through which EU political and economic dynamics become part of the organizational logic of national politics and policy-making. In that respect, it comes close to the legal concept of "Approximation of Laws" and "Adoption to the *Acquis*".

Whatever the meaning given to Europeanization, it happens spontaneously, partly by *osmosis*, partly by mimetic adoption of norms, procedures, values, standards adopted elsewhere. It must not and does not come either by decree or by legal approximation. In the case of the non-member, much of the approximation is involuntary, unplanned in the sense that it is driven by globalization, regional integration, *arbitrage*. It is the elimination of barriers between the non-member and the huge EU entity which dominates the process (what Tinbergen, the first Nobel Prize in Economics, would have called *negative* integration), rather than voluntary adoption of supra-national laws and policies (what he would have called *positive* integration). The reason is quite obvious. The second requires adopting norms decided elsewhere (in this case Brussels), something unpalatable for democratic countries such as Israel not participating in the decision-making process of the EU.

A distinction must be made at this stage between "Europeanization", a dynamic process, and the "European features" or the "European identity" of Israel. The second is something permanent and static. In other words, it could have existed or been there since 1948. In many ways Israel has for several decades been part of European culture, entertainment, sport and mass media activities (for example, actively taking part in Eurovision and sport contests).

So much for the European identity of Israel. But this paper contends that there is a slow and implacable Europeanization of Israel. The Europeanization of Israel is recent and less influenced by what the EU has done to Israel than what globalization, internationalization and regional integration have done to it. This contrasts with a process of Americanization detected by some observers in the 1980s and early 1990s. It would have come about, so it was argued, as a by-product of Israel's increasing dependence on US economic and military aid and the massive American political and strategic support. Israel's academia and science had become a branch of those in the US. It was pointed out that each year increasing numbers of Israelis celebrated 4th July as their own national holiday, displaying US and Israeli flags in their cars.

Maybe there was such a trend, but it was not only proper to Israel. The UK, Ireland and the Netherlands were also being Americanized, not to speak of proud France.

## **Structural Changes in the EU over the Last Two Decades**

---

The reader of this paper should take note of the following:

1. The demographic, social, ethnic, religious and cultural make-up of the EU has come closer to the Israeli model due to globalization.

- Demographically, a little less than 20% of the resident population in Israel in its 1967 frontiers is Muslim. On the other hand, whereas 20 years ago the percentage of Muslims in the resident population of the EU-15 was around 2%, their share has been increasing by a much higher rate than in Israel. There is no doubt that the share of the Muslim population in the EU is going to converge to Israeli levels.

- There is also convergence in a second sense. The share of the resident population of Israel born in Europe has been increasing since 1986 because of the massive immigration of Jews from the former Soviet Union, reaching almost a million souls in a population of seven million people. The presence of the Russian Jews is very much felt in all large towns (with the exception of Jerusalem). Tel Aviv has become a typical European Mediterranean city, in the same category as Barcelona, Naples, Athens or Marseilles. According to *Foreign Policy*, the very prestigious US policy journal, it is now ranked in the Global Cities Index 2010 in 50th place ahead of all other European cities excluding London, Paris, Brussels, Berlin, Madrid, Vienna, Frankfurt, Zurich, Barcelona, Rome, Amsterdam, Geneva, Munich, Milan and Dublin, but ahead of Athens, Lisbon, Budapest, Warsaw, Prague, Copenhagen and Stockholm. All this has happened at a time when the share of the resident population of the EU born outside the EU has notably increased. This does not only include migrants from Muslim countries (as indicated above) but also from Latin America, Sub-Saharan Africa, Eastern Europe and East Asia (for example, the Philippines). For instance, about three of the four million new immigrants arriving in Spain in the last decade came from Latin America. In other words, whereas Israel since its inception has always been considered an immigration country and an immigrants' society, the EU could not at all be considered as such until the mid-1980s. But now countries such as Greece, Italy and Spain have become important destination countries for migrants from Africa, Eastern Europe and Latin America, at least until the 2008 crisis. The United Kingdom has become the home of substantial numbers of Eastern Europeans. Europe has become an immigrants' society, confronting typical problems of social and economic absorption of immigrants, which Israel has also been confronting over these last 50 years. In short, whereas Israel has been a multicultural, multi-religious society since its creation, this is slowly becoming more the case of European societies and it has to do with globalization. This is to say nothing of the recent EU enlargements which have brought in new Member States with important national minorities (for example, Russia, Romania). If Israel has

been having problems about how to treat minorities since its creation, it looks as if the EU is also bound to confront similar problems 60 years later.

2. The accelerated deepening and enlarging of the EU since 1986 has resulted in the emergence of a patchwork, for better or for worse. The EU's heterogeneity has become its emblematic feature. The EU is not monolithic. All this is a typical feature of Israel since its inception: Israel is a patchwork of nationalities, customs, traditions, tribes and so on, although there is a core of course.

3. The last two enlargements (2004 and 2007) have brought the EU closer to Israel mentally, culturally, economically and geographically. The EU's 2004 enlargement to the East has shifted EU views about Israel. Quite simply stated, the new EU members are among those favoring closer relations with Israel (including membership). They are also countries to which Israelis can relate easily. The 2007 enlargement has brought the EU and Israel even closer from an overall viewpoint. Romania and Bulgaria are countries which have had a disproportional influence on Israeli customs, habits and culture; the Israeli diet and folklore borrow heavily from them. And the two new members' governments are strongly pro-US, as Israel is. In terms of location, there are now eight Member States sharing the same time zone as Israel (Greece, Finland, Estonia, Latvia, Lithuania, Cyprus, Bulgaria and Romania). Another example: all planes flying out of Israel in the direction of the West must fly through Cyprus, Bulgaria or Romanian air space. Thus issues of air traffic control and air defense and security are increasingly discussed with Brussels. For instance, Israel had to relax strict security measures applied to all planes reaching the Israeli air space, namely identifying itself with a special codified number, unless they want Israel to scramble jet fighters to intercept them. At the behest of EU countries that feared possible accidents, Israel has had to suppress the measure to the annoyance both of the US and US air transport companies.

## **Conclusion**

---

After long negotiations Israel entered the OECD in May 2010. This process has been absorbing much attention and human resources in a series of ministries and administrations that are directly concerned with the homologation process that OECD membership entails. This paper has shown that it has somewhat detracted from the attention the government of Israel devoted to the powerful message initially sent by the EU in 2003-2004 when it offered Israel a "stake in the Internal Market." It so happened that later on the process of Israel's approximation to the EU was marred during the negotiation of the Action Plan for different reasons: first, the inevitable politicization of the process, something practically absent in the case of OECD accession; second, the constant fear of the EU to offer Israel concessions that for equity or political reasons it would have had to offer to other Mediterranean Non-Member Countries, such as Morocco or Tunisia. One of the innovating and tentative conclusions of this paper could be, in this respect, that in the process of convergence to EU norms, the EU is factoring in the impact that the convergence of one partner could have on the process of negotiation with others.

A second conclusion of this policy paper is that from an economic, social, demographic and cultural viewpoint, Israel increasingly resembles an average EU country of small or medium size. It is post-industrial, service-based, with a booming high tech sector and with a shrinking agricultural and manufacturing base. On the other hand, the EU is made up more and more of concentric circles forming an irregular patchwork and Israel, like Bulgaria, Romania or Slovakia, is part of it. In other words, there has been a structural convergence between the EU's and Israel's make-up. In this process, one should notice a slow, implacable policy convergence of Israel on EU norms, which is epitomized by Israel's accession to the OECD but also Israel's adoption of the Action Plan embodied in the ENP-driven process, even if provisionally blocked in the case of Israel for political reasons. The process of convergence of Israel on OECD and EU norms and standards has been facilitated by the fact that over the last two decades Europe itself has been undergoing profound structural changes notably increasing the amount of overlapping features between the Israeli and European economies and societies.

## References

---

**Commission of the European Communities**, "Extracts of the Conclusions of the Presidency of the Essen European Council, 9 and 10 December 1994", *Bulletin of the European Union*, Supplement 2/95, 1994.

**Del Sarto, R. and A. Tovias**, "Caught between Europe and the Orient: Israel and the EMP", *The International Spectator*, Vol. 36, No. 4, 2001, pp. 61-75.

**Dror, Y. and Sh. Pardo**, *Approaches and Principles for an Israeli Grand-Strategy towards the European Union*, Beersheva, Ben-Gurion University of the Negev, BGU-CSEPS, 2006.

**Sachar, H.**, *Israel and Europe: An Appraisal in History*, New York, Alfred Knopf, 1999.

**Sadeh, T.**, "Israel and a Euro-Mediterranean Internal Market", *Mediterranean Politics*, Vol. 9, No. 1, 2004, pp. 29-52.

**Tovias, A.**, "Current Israeli Perspectives on EU-Mediterranean Relations", *Hellenic Studies*, Vol. 17, No. 2, 2009, pp. 191-204.

**Tovias, A.**, "Liberalising Trends in Israel's Trade Policy: Trade Policy Review of Israel", *The World Economy*, Vol. 31, No. 11, 2008, pp. 1433-1442.

**Tovias, A.**, "Relations between Israel and the EU", in A. Dieckhoff (ed.), *L'État d'Israël*, Paris, Fayard, 2008, pp. 395-404.

**Tovias, A.**, "Exploring the 'Pros' and 'Cons' of Switzerland's and Norway's Model of Relations with the EU: What Can Be Learned from These Two Countries' Experience by Israel", *Cooperation and Conflict*, Vol. 41, No. 2, 2006, pp. 203-222.

**Tovias, A.**, "Israeli Policy Perspectives on the Euro-Mediterranean Partnership in the Context of EU Enlargement", *Mediterranean Politics*, Vol. 8, No. 2/3, 2003, pp. 214-232.

**Tovias, A. and A. Magen**, "Reflections from the New Near Outside: An Israeli Perspective on the Institutional Impact of EU Enlargement", *European Foreign Affairs Review*, Vol. 10, No. 5, 2005, pp. 399-425.

**Tovias, A. et al.**, *Israel Country Profile*, Marseilles, FEMISE Research Programme, September 2005, <http://www.femise.org/PDF/cp/cp-israel-0509.pdf>.

## IEMed.

The European Institute of the Mediterranean (IEMed), founded in 1989, is a consortium comprising the Government of Catalonia, the Spanish Ministry of Foreign Affairs and Cooperation and Barcelona City Council. It incorporates civil society through its Board of Trustees and its Advisory Council formed by Mediterranean universities, companies, organisations and personalities of renowned prestige.

In accordance with the principles of the Euro-Mediterranean Partnership's Barcelona Process, and today with the objectives of the Union for the Mediterranean the aim of the IEMed is to foster actions and projects which contribute to mutual understanding, exchange and cooperation between the different Mediterranean countries, societies and cultures as well as to promote the progressive construction of a space of peace and stability, shared prosperity and dialogue between cultures and civilisations in the Mediterranean.

Adopting a clear role as a think tank specialised in Mediterranean relations based on a multidisciplinary and networking approach, the IEMed encourages analysis, understanding and cooperation through the organisation of seminars, research projects, debates, conferences and publications, in addition to a broad cultural programme.

## EuroMeSCo

Comprising 62 institutes from 35 European and Mediterranean countries, as well as 26 observer institutes, the EuroMeSCo (Euro-Mediterranean Study Commission) network was created in 1996 for the joint and coordinated strengthening of research and debate on policy and security issues in the Mediterranean, aspects considered essential for the achievement of the objectives of Euro-Mediterranean policy.

As agreed by the EuroMeSCo General Assembly in 2010, the objectives of the network are: encourage communication, foster joint initiatives and facilitate the publication of the works of member institutes; promote the activities and research of the network among experts and institutions linked to Euro-Mediterranean relations; and provide policy recommendations in the framework of the Barcelona Process and the Union for the Mediterranean.

The EuroMeSCo work plan includes the organisation of an annual conference, where the members debate political and security issues in the Mediterranean that have emerged during the year; a research programme to foster research projects among the institutes and experts of the network; and a series of seminars, workshops and meetings to stimulate debate on Mediterranean politics.