

A troubled partnership

The US and Europe in the Middle East

By Luigi Scazzieri

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- ★ Trump's policies towards the Middle East have led to a serious rift between the US and Europe. The EU and US are at loggerheads over Iran: Trump has withdrawn from the nuclear agreement and imposed tough economic sanctions, raising the risk of a military confrontation and prompting Iran to expand its nuclear programme. Meanwhile, the EU has sought to preserve the nuclear deal and prevent escalation.
- ★ Following Iran's resumption of activities forbidden by the nuclear agreement, there is a chance that transatlantic tensions over Iran could lessen. But equally, Iran could prove to be a source of further discord if conflict erupts and Europeans judge the US to be primarily responsible.
- ★ Trump's unconditional support for Israel in the Middle East peace process has also contributed to the rift. But Europeans have struggled to forge a robust approach of their own in response.
- ★ Even when US and EU policies are not directly at odds, Trump's erratic and unilateral policies have created challenges for the EU. His decision to withdraw US troops from Syria risks fuelling further conflict. In Libya, US disengagement has made European disunity worse, and Trump's apparent endorsement of Libyan commander Khalifa Haftar will lead to more violence and potentially a resumption of the migration crisis.
- ★ US and European approaches to the Middle East may diverge further, especially if Trump wins a second term in 2020. But, even if Trump is not re-elected, the US and Europe may not fully realign. While the US is shifting its attention away from the region, its importance to Europe's security is growing. Instability in the Middle East affects Europe comparatively far more than the US, by fuelling terrorism, conflict, and migration.
- ★ Europeans should step up co-operation with the US where their interests are aligned, and try to steer US policy in a direction that is less damaging to European security. At the same time, Europeans should shake off their passivity towards the region. This will test the EU's ability to maintain unity, and require member-states to co-operate flexibly through coalitions of the willing.

President Donald Trump has re-orientated US policy in the Middle East. He has withdrawn from the Joint Comprehensive Plan of Action (JCPOA), the nuclear agreement with Iran, and aligned the US forcefully with its traditional allies in the region, Israel and Saudi Arabia. These actions have opened a deep rift with Europe. This policy brief assesses the extent of policy disagreements between Europe and the US in the Middle East and their consequences.

In some ways Trump's policy is a direct reaction against that of his predecessor, Barack Obama. In partnership with Europeans, Obama orchestrated a set of international sanctions against Iran to force it to accept strict restrictions on its nuclear programme, and negotiated the JCPOA. Obama and the Europeans hoped that the agreement would not only restrict the nuclear programme, but also steer Iran away from its regional meddling and confrontation, reducing tensions between Iran, Israel, Saudi Arabia and the UAE. The deal with Iran led to a worsening of US relations with Saudi Arabia and Israel, who consider Iran to be the biggest threat to their security. Relations with Israel were also strained by Obama's pursuit of a two-state solution to the Israel/Palestine question, and by his criticism of Israel's settlement-building in the West Bank.

“The transatlantic split over the Middle East is taking place in a context of broader disagreements.”

Obama's approach to the region, and his preference for diplomatic solutions, was shaped by his scepticism about US interventions in Afghanistan and Iraq. The US 'led from behind' during the 2011 NATO intervention that removed Gaddafi from Libya, and opted not to take on a major role in stabilising the country after the war. Obama also completed the withdrawal of US troops from Iraq in December 2011, and refused to involve the US deeply in Syria's civil war. In 2013, when the Assad regime used chemical weapons, Obama did not respond militarily, as he had previously promised. And, following the emergence of the 'Islamic State' (IS) in Syria and Iraq, he preferred to deploy fewer troops to fight it within Syria, co-operating with the Syrian Kurdish YPG instead.

Like other Republicans, Trump forcefully attacked Obama's approach to the Middle East, particularly the JCPOA. He claimed that the deal was flawed, as limitations on nuclear enrichment were not permanent, and that it did not constrain Iran's ballistic missile programme or its support for terrorism. Trump also argued that Obama had treated Israel "very, very badly", and accused him of

weakness in fighting against IS, saying he would "utterly destroy" the group.¹ Unlike other Republican candidates, Trump combined a sharp critique of Obama's policies towards Iran, Israel and IS with calls to end foreign wars and bring troops home, opposing intervention in Syria's civil war.²

As president, Trump was initially constrained by advisors such as Secretary of Defense James Mattis, Secretary of State Rex Tillerson, and National Security Advisor Herbert Raymond McMaster. But Tillerson and McMaster were forced out, and, in May 2018, the US abandoned the JCPOA and re-imposed sanctions on Iran. This contributed to re-orientating US policy in the region firmly in favour of Israel and Saudi Arabia. Finally, in December 2018, Trump took the decision to withdraw US troops from Syria, stating that IS had been defeated. In his February 2019 State of the Union address he repeated his promise to reduce America's military involvement overseas, saying "great nations do not fight endless wars".³

While transatlantic differences over the Middle East are not new, the current rift is different in scale and character. First, it comes immediately after a period when US and European policies towards the region were largely in tune with each other. Second, unlike the 2003 spat over Iraq, the US and EU have actively been seeking to undermine each other's policies over Iran. Third, the transatlantic split over the Middle East is taking place in a context of broader disagreements, and acts to amplify them, by pushing the EU to co-operate with Russia and China to preserve the JCPOA, for example. Finally, independently of Trump, the region is becoming less important to the US, as its attention turns to China. Meanwhile, the EU cannot insulate itself from the region: instability and conflict could lead to disruption in energy supplies and the rise of extremist groups, and prompt large numbers of people to attempt to migrate to Europe.

European and US approaches to Iran and the JCPOA have been completely at odds with each other. The US and Europe have also disagreed on policy towards Israel and the Middle East peace process. And relations have been damaged by the erratic nature of Trump's foreign policy towards the Middle East. His unilateral decision to withdraw US troops from Syria, and to shift US policy

1: Donald Trump, 'Speech to AIPAC', *TIME*, March 21st 2016; 'Trump vows to utterly destroy ISIS but won't say how', *Washington Post*, September 24th 2016.

2: 'On the record: President Trump vs private citizen Trump on Syria', National Public Radio, April 4th 2017.

3: Donald Trump, 'State of the Union Address', White House, February 5th 2019.

in Libya away from the UN-backed government towards military commander Khalifa Haftar have shocked allies and created new challenges for Europeans. The decision to withdraw from Syria will allow Iran to consolidate its influence in the region, risks escalating the conflict

between Turkey and the Syrian Kurds, and could lead to a resurgence of extremism. Meanwhile, the decision to back Haftar risks leading to protracted conflict, renewed migration flows, and a strengthening of extremist groups in Libya and the Sahel.

The rift over Iran and the JCPOA

The transatlantic discord over Iran and the 2015 JCPOA is the most prominent of all the disagreements. Trump's foreign policy in the Middle East has focused on rolling back Iran's influence. Under Trump, the US has thrown its full support behind Israel and Saudi Arabia, and tried to set up a Middle East Security Alliance, an 'Arab NATO' that would include Egypt, Saudi Arabia, the UAE, Qatar, Bahrain, Jordan, Oman and Kuwait. The initiative has had little success so far, in part because of the spat between Qatar and Saudi Arabia, the UAE and Bahrain. However, Trump has succeeded in tearing up the Iran deal.

“Europeans fundamentally disagreed with Trump's strategy, seeing it as a dangerous move.”

Trump argued that the JCPOA had failed to stop Iran's development of a nuclear weapon, that it did not restrict Iran's ballistic missile programme, or constrain its destabilising support for non-state actors such as Hezbollah in Lebanon, the Houthis in Yemen, and Shia militias in Iraq. In May 2018, Trump unilaterally withdrew the US from the JCPOA, announcing the re-imposition of sanctions on Iran.⁴ This was despite the fact that the International Atomic Energy Agency (IAEA) continued to certify that Iran was fully complying with the agreement's provisions. Trump said he hoped to force the Iranians to negotiate a new agreement that imposed additional restrictions on Iran's nuclear programme, and forced it to radically alter its foreign policy and to give up its ballistic missile programme.⁵ A few days later, Secretary of State Mike Pompeo expanded the list of US demands, saying that Iran would have to end support for Hezbollah and the Houthis, withdraw from Syria, and stop threatening its neighbours.⁶

The EU, Russia and China reacted with disappointment to the US decision, and pledged to maintain the JCPOA.⁷ The EU agreed with the US on the overarching aim that Iran should not be allowed to acquire nuclear weapons, and that its ballistic missile program should be constrained. Europeans also agreed, at least in principle,

that Iran's support for non-state actors such as Hezbollah in Lebanon and the Houthis in Yemen has destabilising effects on the region. However, Europeans fundamentally disagreed with Trump's strategy, seeing it as a dangerous move that might push Iran into expanding its nuclear programme and other regional powers into seeking nuclear weapons, and one that increased the chances of conflict in the region. They judged that remaining in the deal was the best way to constrain Iran's nuclear programme, eventually building on the agreement to address its limitations. Moreover, Europeans thought the JCPOA provided a base from which issues such as Iran's development of ballistic missiles and foreign policy could be tackled.

The US and European stances reflect broader differences in threat perceptions, and about the root causes of instability in the region. The US has always viewed Iran with more hostility than the Europeans have, largely because of Iran's virulent anti-US rhetoric. Under Trump, that view has sharpened, mirroring that of America's closest allies in the region, Saudi Arabia and Israel. Officials in the Trump administration often refer to Iran's "malign influence" in the region in their statements and speeches.⁸ Europeans have prioritised de-escalation and diplomacy because they see Iran as less threatening and are unwilling risk military confrontation. Moreover, while the US does not give weight to internal differences within Iran, Europeans have tended to emphasise divisions between moderates and hardliners, leading them to believe that it is fruitful to reach out to the former to try to change Iran's foreign policy.

After the US withdrew from the deal and re-imposed sanctions, the EU tried to maintain trade with Iran. In June 2018, the EU revived its 1996 Blocking Statute, which prohibits EU-based companies from complying with US extraterritorial sanctions. And in February 2019, France, Germany and the UK launched the Instrument for Supporting Trade Exchanges (INSTEX), a payment system designed to bypass the traditional banking system and allow EU entities to continue to trade with Iran. The EU also sought to engage with Iran in the E4 (France, Germany, Italy, UK) + Iran format to discuss its ballistic missile programme and foreign policy. Washington saw

4: Luigi Scazzieri, 'The EU has little choice but to keep the Iran deal alive', Centre for European Reform insight, May 11th 2018.

5: 'Remarks by President Trump on the Joint Comprehensive Plan of Action', White House, May 8th 2018.

6: Mike Pompeo, 'After the deal: A new Iran strategy', Heritage Foundation, May 21st 2018.

7: 'UK, France, and Germany issue joint statement attacking Trump's withdrawal from Iran nuclear deal', the *Independent*, May 8th 2018.

8: See for example: Brian Hook, 'US policy toward Iran and countering Iran's malign influence', December 12th 2018.

Europe's attempts to sustain the JCPOA and engage with Iran as profoundly misguided and damaging, and thought that efforts to engage with Iran in the E4/EU format had little effect on Iran's foreign policy. The US argued that EU efforts reduced the pressure on Iran, and that any financial benefits that Iran received would be channelled into destabilising the region. The US tried to persuade the EU to drop its efforts to keep the JCPOA alive, and urged Europeans to back its approach and re-impose sanctions.

“European efforts to salvage the JCPOA have been hindered by Europe's inability to shield business from US sanctions.”

European concerns about Iran's broader foreign policy complicated EU efforts to uphold the agreement. France and the UK largely share US concerns about Iranian interference in Syria, Iraq, Lebanon and the Gulf. Many member-states are also concerned about Iran's development of ballistic missiles, and Iranian assassination attempts and attacks on dissidents in Denmark, France and the Netherlands. They have threatened to impose new sanctions on Iran for its missile programme, and in January the EU imposed sanctions on Iranian intelligence officials for the alleged assassination plots.⁹ But most of all, European efforts to salvage the JCPOA have been hindered by Europe's inability to shield business from US sanctions, and its broader reliance on the US. With a transatlantic trade war brewing, most member-states have little appetite for a broader confrontation with Washington. And, given Trump's shaky commitment to NATO, many eastern member-states are concerned that a deeper rift with the US could undermine their own security.

The EU's attempts to maintain trade with Iran in the face of Trump's policy of 'maximum pressure' were unsuccessful. The Europeans struggled to render INSTEX operational, and the Blocking Statute proved toothless, as European businesses are concerned about being denied access to the US market and financial system by 'secondary sanctions' if they do business with Iran.

Between May 2018 and May 2019, Iran remained in full compliance with the deal, even though the US had withdrawn. However, its willingness to show restraint eroded as US pressure increased. The remaining parties

to the deal were unable to offset US sanctions and the Iranian economy deteriorated. Gross domestic product shrank by almost 4 per cent in 2018 and is set to decrease by 6 per cent this year, with inflation reaching 50 per cent.¹⁰ US sanctions forced buyers of Iranian oil to seek alternative suppliers, and oil exports plunged from 2.8 million barrels per day in April 2018, just before Trump announced his intention to withdraw from the JCPOA, to around 1.1 million barrels a day in April 2019.¹¹ Iran found itself in the position where it was fully complying with the JCPOA without receiving any of its benefits.

The US removed any incentive for Iran to continue to fully comply with the deal in late April and early May 2019. In mid-April, the US announced the end of waivers it had previously granted to allow some Iranian oil exports to continue.¹² The US designated the Iranian Revolutionary Guard as a terrorist organisation, and Iran retaliated by doing the same for all US troops in the Middle East.¹³ In early May, Iranian President Hassan Rouhani announced that Iran would no longer fully implement the JCPOA. Initially, Iran would no longer respect the agreement's limits on its production of heavy water and low-enriched uranium, building up its stockpiles of both.¹⁴ Iran would also restart uranium enrichment to higher levels, unless the EU, Russia, and China took steps to resume trade within 60 days.

However, the EU, Russia and China were unable to increase trade. China reduced its purchases of Iranian oil to almost zero, wary of stoking tensions with the US. And, while in late June the EU announced that INSTEX was operational, the mechanism still did not cover oil exports, and the move was not sufficient to convince Iran to remain in compliance with the JCPOA. On July 2nd, the IAEA confirmed that Iran had breached the agreement's limit on its uranium stockpile. And on 7th July, Iran announced it was resuming enrichment to higher levels. By expanding its nuclear programme Iran believes it can pressure the Europeans to increase trade, and at the same time gain leverage that it can use in any future negotiations. Trump said that Iran was "playing with fire" but did not threaten immediate retaliation.¹⁵ On their part, Europeans have condemned Iran's moves, but adopted a wait and see approach, unwilling to immediately reinstate sanctions. It is unclear to what degree Iran plans to increase enrichment from the deal's limit of 3.67 per cent. Initially, it may only enrich to 5 per cent, rather than higher levels that would make it easier to quickly reach the 90 per cent purity suitable for nuclear weapons.

9: 'In shift, EU sanctions Iran over planned Europe attacks', Reuters, January 25th 2019.

10: 'Economic pressures push Tehran's hand in US stand-off', *Financial Times*, May 13th 2019.

11: 'IEA statement on global oil markets', International Energy Agency, April 23rd 2019.

12: 'US ends sanctions waivers on Iranian oil imports', *Financial Times*, April 22nd 2019.

13: 'Iran designates as terrorists all US troops in Middle East', Reuters, April 30th 2019.

14: The JCPOA reduced the type and number of centrifuges Iran could use to enrich uranium, and its ability to carry out research on more advanced centrifuges. It restricted Iran's stockpile of low-enriched uranium and heavy water, and banned it from enriching to higher levels that could be used in a nuclear weapon. Iran also agreed to redesign its Arak reactor, so it could no longer produce weapons grade plutonium. Finally, the agreement gave the IAEA wide-ranging powers to monitor Iran's program.

15: 'Trump says Iran 'playing with fire' with uranium enrichment', Reuters, July 1st 2019.

The chances of a military escalation have already increased. In late May 2019, and then in mid-June, the US accused Iran of orchestrating acts of sabotage on oil installations and tankers near the Persian Gulf, through which around a third of the world's crude transits. In late June, Iran shot down a US drone that allegedly breached its airspace, and the US was about to retaliate with air strikes before Trump called off the operation.¹⁶ For Iran, sabotage is not only an answer to US provocations, but also a way to show that it is capable of closing off the Strait of Hormuz to shipping, putting pressure on the US to allow it to export some oil.

“Member-states will shift further towards the US position if Iran takes steps that further escalate tensions.”

Neither the US nor Iran appear to want a military confrontation, but they could stumble into one if they misjudge each other's red lines. On the US side, Trump, a longstanding sceptic of US intervention, has repeatedly said that he does not want war with Iran and wants to do a deal.¹⁷ However, Pompeo and especially National Security Advisor John Bolton are very hawkish towards Iran, and see pressure as a means of weakening the

regime from within. Moreover, Trump himself often sends mixed messages, shifting quickly between talk of de-escalation and threats.¹⁸ This makes it difficult to properly convey red lines, and raises the risk that Iran may underestimate the US' willingness to respond militarily. Moreover, in late June 2019, the US imposed sanctions on Iranian Supreme Leader Ayatollah Khamenei, making diplomacy more difficult.¹⁹

Iranian and US actions will both determine whether US and European approaches to Iran diverge further or slowly re-align. Europeans reacted with concern to what they see as Washington stoking tensions, and warned of unintended escalation. And they have been unwilling to immediately reinstate sanctions in response to Iran's move to expand its nuclear enrichment. However, if Iran expands its nuclear activities much further, enriching uranium to significantly higher levels, Europeans will eventually be pushed towards re-imposing sanctions currently lifted by the JCPOA. Equally, member-states will shift further towards the US position if Iran takes steps that further escalate tensions, for example through attacks on shipping or US assets in the region. However, irrespective of the degree to which Iran expands its nuclear programme, if member-states perceive the US to be aggressive and Iran restrained, many are unlikely to back Washington, and the transatlantic split would grow.

Israel and the Middle East Peace Process

Just as the transatlantic rift over Iran has grown, the US and EU have diverged on policy towards Israel and the Middle East peace process. But tensions have been contained because the EU has been unwilling to seriously counter Washington's pro-Israel approach. Even under Obama the US was unwilling to use its leverage on Israel to force concessions. Obama boosted military aid to Israel, agreeing to a 10 year package worth \$38 billion without asking for any concessions on the peace process. However, under Obama the US was committed to the two-state solution, criticising Israel for building settlements in the West Bank, and pursuing the nuclear agreement with Iran despite Israel's opposition. In December 2016, the US abstained from voting on UN Resolution 2334 that condemned Israeli settlements as illegal, allowing it to pass.

Under Trump, US policy has shifted towards unconditional support for Israel. In December 2017, Trump announced he would move the US Embassy from Tel Aviv to Jerusalem, as he had promised during his election campaign.²⁰ The embassy opened in May

2018, prompting protests in many Arab countries. And, in March 2019, Trump ignored UN Security Council resolutions 242 (1967) and 497 (1981) and recognised Israel's sovereignty over the Golan Heights, an area it has occupied since the 1967 war.²¹ More broadly, by legitimising annexation, the move allows Russia to claim that its annexation of Crimea, based on a (rigged) referendum, was actually more legitimate.

Trump has said he wants to strike the “ultimate deal” in the peace process between Israel and the Palestinians, and has placed his son-in-law, Jared Kushner, in charge of negotiations. In late June 2019, the US put forward a package to boost Palestine's economy, but Kushner has not yet revealed the peace plan underpinning it. However, he has stated that the deal will address ‘final status’ issues such as borders and Jerusalem, and that it will not be a two-state solution— a significant departure from previous US policy.²² The plan is likely to copy Trump's existing approach of pressuring the Palestinian side to make concessions, without requiring reciprocal steps from Israel.

16: ‘Trump says he stopped airstrike on Iran because 150 would have died’, *The Guardian*, June 21st 2019.

17: ‘Trump says Iran nuclear deal achievable as sanctions sting’, Reuters, May 27th 2019.

18: ‘Trump warns of the “end of Iran” if it threatens US’, *Financial Times*, May 20th 2019.

19: ‘Iran Greets Latest U.S. Sanctions With Mockery’, *New York Times*, June 24th 2019.

20: ‘Statement by President Trump on Jerusalem’, White House, December 6th 2017.

21: ‘Golan Heights: Trump signs order recognising occupied area as Israeli’, BBC, March 25th 2019.

22: ‘Kushner: Mideast plan won't say ‘two states’, Agence France Presse, May 2nd 2019.

In the past two years, Trump has sharply reduced US support to the Palestinians, halting funding for the UN agency for Palestinian refugees, UNRWA. At a UN Security Council meeting in May 2019, US Middle East envoy Jason Greenblatt called for UNRWA to be dismantled and its services outsourced to host country governments or international organisations.²³ The US administration has also reduced bilateral assistance to the Palestinian Authority (PA), in part to pressure it to end the practice of giving payments to prisoners who have killed Israelis. These moves have led to a breakdown of the relationship between the US and the PA.

“Europe has struggled to forge a coherent and robust response to Trump’s undermining of the two state solution.”

Europe has struggled to forge a coherent and robust response to Trump’s undermining of the two state solution. Europeans have stepped up their financial support to cover the shortfall caused by US cuts in aid to UNRWA and bilateral aid to the PA, but only in part. In response to Trump’s announcement that he would move the US Embassy to Jerusalem, EU High Representative Federica Mogherini issued a statement saying that the European Union expressed “serious concern”.²⁴ However, the EU was unable to come to a unified position when the move actually took place, with the Czech Republic, Hungary and Romania vetoing an EU statement, and attending the opening ceremony of the new embassy.²⁵ The EU was more unified in its response to Trump’s recognition of Israeli sovereignty over the Golan Heights, issuing a statement saying that its position on the legal status of the area had not changed.²⁶

In essence, EU member-states have been willing to offer the Palestinians rhetorical and material support, but

only so long as this did not compromise their political and economic relationships with Israel. There is little sign that the EU is willing to take a stronger stance or play a more active role in defending or advancing the two-state solution. Europeans wish to keep the peace process alive, but lack the appetite to take concrete steps to preserve it. In particular, the EU is unwilling to go further in implementing its policy of differentiating between Israel proper and the occupied territories in its bilateral relations with Israel – as called for by UN Security Council Resolution 2334. The EU currently bars entities in the occupied territories from accessing EU funding, and the Commission has produced guidelines on labelling goods that originate there – although most member-states are not fully implementing them.²⁷ The Visegrád countries (the Czech Republic, Hungary, Poland and Slovakia) are particularly keen to develop closer commercial and political ties with Israel.²⁸ Hungary has recently opened a trade office in Jerusalem, and the Romanian government has signalled that it wants to move its embassy to Jerusalem, although the country’s president opposes the move.²⁹

The differences between the EU and the US on the peace process and policy towards Israel are likely to grow. If the US formally puts forward a peace proposal that appears to abandon the two-state solution, most member-states would be sharply opposed. Developments within Israel might also spark greater transatlantic divergence: in the run up to the April 2019 Israeli elections, Netanyahu promised to annex parts of the West Bank.³⁰ If he, or whoever succeeds him as prime minister, does so with US support, this will increase the distance between US and EU positions, and will fuel further divisions within the EU itself. Some member-states would want to respond by stepping up the policy of ‘differentiation’, while others would see annexation as recognition of a pre-existing reality.

Damaging unilateralism: Syria and Libya

Syria

Until recently, US and European approaches towards the Syrian conflict were aligned. The EU has been the largest donor of humanitarian assistance to Syria, and member-states essentially followed the US lead in political and military terms. Many member-states contributed to the US-led global coalition against IS through airstrikes and

by supporting the Kurdish-led Syrian Defence Forces (SDF). And France and the UK militarily supported US strikes against the Syrian regime in April 2018 for its use of chemical weapons.³¹ Washington has become less involved in negotiations to address the conflict, both due to a lack of interest, and as a result of the UN-backed Geneva peace process being sidelined by the ‘Astana

23: ‘UNRWA rejects US bid to remove its mandate’, Al Jazeera, 23rd May 2019.

24: ‘Statement by HR/VP Federica Mogherini on the announcement by US President Trump on Jerusalem’, EEAS, December 6th 2017.

25: ‘EU gagged on ‘fundamental’ shift in Middle East’, EU Observer, May 14th 2018.

26: Federica Mogherini, ‘Declaration on behalf of the EU on the Golan Heights’, March 27th 2019.

27: Luigi Scazzieri, ‘Trump, Europe and the Middle East peace process A path out of the quicksand’, Centre for European Reform policy brief, June 2017.

28: Joanna Dyduch, ‘The Visegrád Group’s Policy towards Israel: Common values and Interests as a catalyst for co-operation’, Stiftung Wissenschaft und Politik, December 2018.

29: ‘Hungary opens trade mission to Israel in west Jerusalem’, France 24, March 19th 2019.

30: ‘Netanyahu vows to annex Jewish settlements in occupied West Bank’, *The Guardian*, April 7th 2019.

31: ‘Syria: US, UK and France launch strikes in response to chemical attack’, *The Guardian*, April 14th 2018.

negotiations', which are limited to the crucial players in the conflict: Russia, Iran and Turkey. This has led France and Germany to seek influence with Moscow and Ankara, participating in a summit in Istanbul in October 2018.

Until December 2018, Washington signalled that it would maintain a presence in Syria even after the defeat of IS, to counter Iranian influence and to prevent a resurgence of the terrorist group.³² But, in late December, Trump abruptly changed US policy, tweeting that IS had been defeated, and that US troops would immediately begin to return home. The announcement was initially contradicted by other members of the administration, but Trump refused to budge, and Defence Secretary James Mattis, along with the US envoy to the coalition fighting IS, Brett McGurk, resigned after they were unable to change Trump's mind. The decision to withdraw US troops was also criticised by many senior Republicans, such as Senators Marco Rubio and Lindsey Graham, and in late February 2019 Trump agreed that 200 troops would stay in Syria in a peacekeeping role. The number has now risen to 400, but the role they will perform is still unclear, as they are too few to effectively counter Iranian influence or to prevent a resurgence of IS.

“While member-states have criticised the US withdrawal, the EU itself lacks a coherent approach towards Syria.”

The move to withdraw US forces was welcomed by Turkey, Russia and Iran. But Europeans were shocked by the decision. French President Emmanuel Macron was toughest, saying that he “deeply regretted” the decision and that “an ally should be dependable”.³³ German foreign minister Heiko Maas said that the decision risked damaging the fight against Islamic State, and defence minister Ursula von der Leyen argued that the US had a responsibility to carry out its withdrawal in co-ordination with its allies. For its part, the British government distanced itself from President Trump's assertion that IS had been defeated.³⁴

The US's decision to withdraw from Syria has placed Europe in a difficult position. First, if the US fully withdraws its troops, this could prompt Turkey to try to broaden the buffer zone it has established in Syria. Turkey has resented US support for the SDF, which includes the Kurdish YPG, because of the latter's links to the PKK, a terrorist group that has waged an insurgency against the Turkish state since the 1980s. If US troops leave, Turkey is likely to attempt to remove the SDF from border areas.

32: 'Bolton: US troops staying in Syria until Iran leaves', *Defense News*, September 24th 2018.

33: 'Trump rebuked by Macron over Syria troop withdrawal', the *Independent*, December 23rd 2018.

34: 'Syria conflict: Trump's withdrawal plan shocks allies', BBC, December 20th 2018.

Second, US withdrawal is likely to allow Iran to entrench its presence in a region stretching through Iraq and Syria to Lebanon, and increases the risk of confrontation with Israel. It will amplify Iranian influence in Syria, allowing Iran to co-operate more closely with Hezbollah in Lebanon, and make weapons shipments easier. Third, US withdrawal reduces the chances of a meaningful political transition in Syria: the US has now given up its leverage, and any agreement will primarily reflect Russian, Iranian and Turkish preferences. Finally, IS or other extremist groups may re-establish themselves.

The US and the EU cannot agree on a way forward. The US has said that it expects member-states to deploy more troops in Syria to contain Iran and prevent a resurgence of IS.³⁵ But France and the UK, the only EU countries with troops on the ground, are unlikely to maintain sizeable contingents if the US fully withdraws its forces. The question of how to deal with captured foreign fighters currently held by the SDF has been another source of tension. The US wants European countries to take back and prosecute their citizens who travelled to Syria to fight for extremist groups.³⁶ In February, Trump said the US would release captured IS fighters of European origin unless their home countries took them back.³⁷ European countries have so far refused, fearful that it would be too difficult to prosecute them and that they might go free.

While member-states have criticised the US withdrawal, the EU itself lacks a coherent approach towards Syria, and divisions within Europe are likely to deepen. The nominally agreed EU position is that reconstruction assistance is conditional on a meaningful political transition. However, member-states are divided on what steps would be sufficient for the EU to provide Syria with assistance. Some, such as Austria, Hungary, Italy and Poland, believe providing reconstruction support is the best way to stop the exodus of refugees and may even allow some to be sent back. On the other hand, most other member-states, led by France, the UK and Germany, insist that the EU should not help with reconstruction until a political transition is underway. Member-states must agree on a set of realistic conditions for a transition if a common EU position is to be maintained.

Libya

Trump's approach to Libya has heightened instability in the region. Under Barack Obama's presidency, the US and the EU co-operated closely to mediate between the different sides in the civil war that engulfed Libya in the summer of 2014. They were able to broker the December 2015 Libyan Political Agreement, which gave rise to the UN-backed Government of National Accord (GNA), headed by Fayeze al Serraj. Following the agreement,

35: 'Trump: EU must take back 800 Isis fighters captured in Syria', *The Guardian*, February 17th 2019.

36: 'US Syria envoy says 'no role' for Europe in proposed safe zone', *Al Monitor*, June 6th 2019.

37: 'Trump threatens to release ISIS fighters if EU doesn't take them', *Politico*, February 17th 2019.

the US and the EU were united in supporting the GNA in defeating IS in Libya, and worked together to devise a settlement that could integrate military commander Khalifa Haftar into Libya's new government, without turning all power over to him.

“Trump’s stance towards Haftar has fuelled the conflict and will create further challenges for the EU.”

When Trump became president, he steered the US towards a much less active approach to Libya as part of his overall disengagement from the region. While Washington continued to publicly back Serraj and the GNA, it stepped back from the political process. The lack of US leadership, combined with a gradual shift in power towards Haftar, led to European disunity. Italy and France pursued competing approaches to stabilising the country. France supported Haftar and pushed for early elections that were considered unrealistic and potentially destabilising by most other parties.³⁸ At the same time, Italy was more supportive of Serraj and the GNA. France's unilateral approach to Libya irritated Rome and made broader Franco-Italian tensions worse.

In early April 2019, Haftar launched an offensive to take over Tripoli, pre-empting a UN-brokered conference to guide the country towards elections. Initially, the US opposed the offensive, with Pompeo stating that there was no military solution to the conflict.³⁹ However, in a move strikingly similar to his decision to withdraw from Syria, on April 15th Trump overturned existing US policy towards Libya. He bypassed Pompeo and held a phone

call with Haftar, in which he praised his efforts to fight terrorism. While Trump stopped short of fully endorsing Haftar, his move clearly marked a shift in US policy.

The US also vetoed a British UN Security Council resolution that singled out Haftar for criticism.⁴⁰ Trump's endorsement of Haftar shocked Europeans, and encouraged the strongman's military assault on Tripoli. Trump appears to have adopted the Saudi and Emirati view that the conflict in Libya was a straightforward struggle between Haftar, as a source of stability, and hard-line Islamist militias and terrorist groups in Tripoli. This is a simplification: Haftar's main opponents in Misrata defeated the Libyan branch of IS in 2016, and Haftar's own forces include hard-line Salafist fighters.⁴¹

Trump's stance towards Haftar has fuelled the conflict, and will create further challenges for the EU. After initially being divided over whether to condemn Haftar, member-states have converged on a common position, condemning Haftar's advance, while also not supporting the GNA.⁴² But the painfully constructed Libyan peace process is now in tatters, and other parties appear to be increasing their involvement in Libya. With the US apparently shifting towards Haftar, there are few incentives for Egypt, the UAE or Russia to refrain from supporting him. At the same time, supporters of the GNA, such as Turkey and Qatar, have also been increasing their involvement, supporting government-aligned forces. No party is likely to win outright, condemning Libya to further violence and instability. This will lead to greater human suffering, and risks triggering the resumption of large-scale migration flows to Europe. It could also prompt a resurgence of IS in Libya and strengthen extremist groups across the Sahel.

The limits of divergence

While Europe and the US have disagreed on policy towards Iran, Israel-Palestine, Syria and Libya, their policies towards the rest of the region remain similar. They are united in their support of Lebanon, Jordan and Iraq – fragile but strategically crucial states. In Jordan, both the US and the EU have sought to support the government and to make it more resilient. The same is true in Lebanon, whose government the US has long supported, while considering Hezbollah a terrorist group. The US supported Lebanese Prime Minister Saad Hariri after Saudi Arabia pressured him to resign during his November 2017 visit to Riyadh. EU and US efforts have complemented each other, with the EU assisting Lebanon in supporting Syrian refugees, while the US

aids its security forces. In Iraq, the US and Europeans have both supported the government politically and militarily. Both took part in the global coalition to defeat IS, and since July 2018 many member-states have been working with the US within a new NATO-led training mission. Both the US and Europe were critical of the independence referendum held by the Iraqi Kurds in September 2017, and emphasised Iraq's territorial unity and the need for dialogue.

In policy towards other parts of the region, such as Saudi Arabia, differences between the US and the EU are more rhetorical than they are real. Increasing US support for Saudi Arabia has been one of the pillars of Trump's

38: Luigi Scazzieri, 'Premature elections won't stabilise Libya', Centre for European Reform insight, October 10th 2018.

39: Mike Pompeo, 'Situation in Libya', Department of State, April 7th 2019.

40: White House says Trump spoke to Libyan commander Haftar on Monday; Reuters, April 19th 2019.

41: Tarek Megerisi, 'The march of Haftar: Why Europeans should stand in the way of the Libyan National Army', European Council on Foreign Relations, April 5th 2019.

42: 'Europe split over how to respond to Haftar assault on Tripoli', *The Guardian*, April 11th 2019; 'Statement on Libya', EU Foreign Affairs Council, May 13th 2019.

Middle East policy. The kingdom was the first country he visited in May 2017, announcing a \$110 billion arms deal. While calling for a ceasefire, the US has given Riyadh full backing for its war in Yemen, providing logistical support for Saudi operations against the Houthi rebels. And Trump forcefully defended Saudi Crown Prince Mohammed bin Salman (MbS) from the fallout over the murder of *Washington Post* columnist Jamal Khashoggi in the Saudi consulate in Istanbul in October 2018. As many in Washington urged a rethink of US relations with Saudi Arabia, Trump sought to shield MbS from criticism, arguing that the US could not pull out of its lucrative deals with the Saudis, as they would otherwise turn to Russia and China.⁴³ And, following Khashoggi's murder, Trump has also approved the transfer of nuclear technology to Saudi Arabia, bypassing Congress.

“With the exception of Libya, the EU and US approaches to North Africa remain similar.”

The EU's approach to the war in Yemen has not greatly differed from that of the US. While the EU has pushed for peace, individual member-states have continued to sell arms to the Saudi-led coalition.⁴⁴ According to research by the Stockholm International Peace Research Institute (SIPRI), the UK provided 23 per cent of arms sales to Saudi Arabia between 2013 and 2017, while French sales accounted for 3.6 per cent of Saudi arms purchases.⁴⁵ Other member-states, such as Spain (2.4 per cent), Germany (1.8 per cent) and Italy (1.5 per cent) have also been involved. The UK also gives logistical support to the Saudi forces, for example by providing spare parts to the air force.⁴⁶

Nevertheless, the EU reacted more critically to the Khashoggi affair than the US. While Trump doubled down on his support for MbS, France, the UK and Germany condemned the killing and imposed a set of travel bans on Saudi individuals they held responsible.⁴⁷ They said more efforts were needed to establish the truth about the killing in a “comprehensive, transparent and credible” manner. In a speech to the European Parliament, Mogherini also promised a “co-ordinated reaction” from member-states.⁴⁸

43: ‘Trump: Saudi Arabia would turn to Russia, China if U.S. ends arms sales over missing journalist’, *Politico*, October 11th 2018.

44: Beth Oppenheim, ‘You never listen to me: the European-Saudi relationship after Khashoggi’, Centre for European Reform policy brief, May 2nd 2019.

45: Pieter Wezeman, ‘Saudi Arabia, armaments and conflict in the Middle East’, Stockholm International Peace Research Institute, December 14th 2018.

46: House of Lords Select Committee on International Relations, ‘Yemen: giving peace a chance’, February 16th 2019.

47: ‘Joint Statement by the Foreign Ministers of France, Germany and the United Kingdom on Jamal Khashoggi’s Death’, France Diplomatie, October 21st 2018. ; European travel ban imposed on 18 Saudis over Khashoggi killing, *The Guardian*, November 19th 2018.

The distance between the EU and US is not as large as it appears, however. France and the UK, Europe's key players in the Middle East, have remained committed to maintaining close relations with the kingdom. Although Europeans have shunned MbS himself, their calls for an investigation into the Khashoggi murder have faded. On the US side, political backing for Saudi Arabia has weakened. Congress has sought to limit US military aid for Saudi Arabia. In December 2018, the Senate voted to end US support for Saudi forces in Yemen. The majority was not big enough to override Trump's veto, but the episode showed how there is now a bipartisan consensus for a harder stance towards the Saudis. Lawmakers are now attempting to pass legislation that would force intelligence agencies to release information about Khashoggi's killers, and to block a move by the administration to bypass Congress and complete a package of arms sales to Saudi Arabia and other countries in the region.

The most notable splits with regards to Saudi Arabia are between EU member-states. Some countries like Germany, Denmark and Finland have stopped arms sales altogether.⁴⁹ Germany's move also affected components for arms developed jointly with France and the UK, and both have lobbied Berlin to carve out an exemption.⁵⁰ It is likely that the EU will continue to condemn human rights abuses in Saudi Arabia, and to avoid direct contact with MbS. However, most member-states have shown little appetite for further reducing links to Saudi Arabia.

With the exception of Libya, the EU and US approaches to North Africa remain similar. Both have backed Tunisia's transition towards democracy. US support has focused on military co-operation, with Tunisia designated as a major non-NATO US ally. The EU has focused on migration management and economic development, and is currently negotiating a Deep and Comprehensive Free Trade Area with Tunisia. The story is similar with Morocco: the EU has focused on economic ties and migration management, while the US has concentrated on military co-operation. Both the EU and the US have sought to work with Morocco on counter-terrorism. Finally, the EU and the US have both been largely silent about protests in Algeria that led to the resignation of President Bouteflika, stressing that it is up to Algerians to determine their future.⁵¹

48: Federica Mogherini, ‘Speech on the killing of the Saudi journalist Jamal Khashoggi’, EEAS, October 23rd 2018.

49: ‘Germany, Denmark, Netherlands and Finland stop weapons sales to Saudi Arabia in response to Yemen famine’, *The Independent*, November 23rd 2018.

50: ‘Germany lifts export ban blocking British arms sales to Saudi Arabia’, *The Daily Telegraph*, March 29th 2019.

51: US Department of State, ‘Department Press Briefing’, April 2nd 2019; Johannes Hahn, ‘Speech on behalf of the High Representative/Vice-President at the European Parliament plenary debate on the situation in Algeria’, EEAS, March 27th 2019.

The US and the EU have both reduced the emphasis they put on human rights concerns in their approach to the region. The US has doubled down on its support for Egyptian President Abdel Fatah el-Sisi despite his increasing authoritarianism and extensive human rights abuses, and Trump himself has repeatedly praised him. And in February 2019, the EU and the League of Arab

States held their first joint summit in Sharm El Sheikh, just as Egypt was pushing through constitutional amendments that would extend Sisi's presidential term, potentially as far as 2034. While it did not result in a formal agreement, the summit highlighted the EU's desire to strengthen links with Egypt to address migration and discuss regional security.

Future trajectories

While the differences between the EU and the US should not be exaggerated, they should not be understated either. In areas where the two disagree, relations could sour further before they improve. The most obvious source of new discord would be a war between the US and Iran provoked or initiated by the US or its regional allies, or a push to implement a heavily pro-Israel plan for the Middle East peace process.

“The most obvious source of new discord would be a war between the US and Iran provoked or initiated by the US.”

If Trump is re-elected in 2020, US-EU relations in the Middle East are likely to continue along the current trajectory. His unilateral and unpredictable foreign policy will continue to destabilise the region, and create new challenges for European foreign policy. But much also depends on the broader state of transatlantic relations. If the split between the EU and the US grows, it is increasingly likely that some countries in Europe will be tempted to side more closely with the US on given issues, making a common European policy more difficult. On the specific issue of Iran and its nuclear programme, it is likely that many European countries will be gradually pushed to align more closely with the US position if Iran is seen as acting aggressively, or if it takes further steps to expand its nuclear programme.

There is ample scope for US and EU policies in the Middle East to realign if Trump is not re-elected. Democratic candidates such as Elizabeth Warren and Bernie Sanders have already stated they would re-enter the JCPOA.⁵² Joe Biden, who was vice-president at the time of the agreement, has strongly criticised the US withdrawal from the Iran deal.⁵³ Even though Iran has now expanded its nuclear programme beyond what the agreement allows, there is a greater chance that the US and EU could re-establish a common approach under a Democratic president, negotiating together on limits to Iran's nuclear programme, and developing

a co-ordinated approach towards its development of ballistic missiles and its foreign policy. Given growing public and congressional pressure, it also appears likely that a Democratic White House would re-evaluate the US' relationship with Saudi Arabia, and steer US policy away from such enthusiastic and unambiguous support for autocratic regimes as has been the case under Trump. A Democratic president is likely to renew the US commitment to NATO and take a less confrontational stance on trade. This would help reduce transatlantic tensions, and also make it easier for Europe to take collective positions on controversial matters.

Nevertheless, challenges would remain, and co-operation would not necessarily be as deep as it was in the Obama era. For example, while it is likely that a Democratic president would also take an approach to the Middle East peace process that would be more similar to the EU's, major differences created by Trump could continue. Some candidates, such as Sanders, may be willing to move the embassy back to Tel Aviv, or de-recognise Israel's annexation of the Golan. But others, such as Biden, might be more reluctant to do so. This would leave a gap between the EU and US approaches, and many member-states would be expected to side with the US, preventing the EU from acting in a unified manner. A Democrat might also put greater emphasis on promoting human rights in countries such as Egypt. This could lead to differences with the EU, which is likely to remain focused on its key aims of controlling migration and maintaining stability in the region, and to pay less attention to human rights.

More broadly, many candidates on the left wing of the Democratic Party have questioned the wisdom of US interventions overseas. While it is unlikely that the US will abandon the Middle East, its policy ambitions are likely to be downgraded. While the US will still be interested in ensuring the global supply and price stability of oil, it is less dependent on energy resources from the region than it was in the past, thanks to the rise in domestic production of oil and gas. Moreover, Washington's attention has turned to the Asia-Pacific region, and the US' biggest rival, China.

52: '2020 Democrats vow to re-enter Iran nuclear deal', *Al Monitor*, March 19th 2019.

53: 'Biden slams Trump over Iran, says president 'has no foreign policy'', *Fox News*, May 14th 2019.

As the region becomes less of a priority for the US, its importance for the EU is likely to rise. Its proximity means that regional developments in the Middle East are likely to affect Europe to a greater degree than the US. Slow economic growth, poor governance, political instability, violent conflict, extremism and migration will continue to directly or indirectly affect Europe for years to come. The increasing activism of China and Russia in the Middle East may also inject new dynamics into both European and US foreign policy. The perceived disengagement and unpredictability of US policy has created opportunities for Russia and China to gain influence.

“Russia has firmly established itself as a major player in the geopolitics of the region.”

Russia has firmly established itself as a major player in the geopolitics of the region. It has set up permanent naval and air bases in Syria, and supported Haftar in Libya. At the same time, Moscow is also cementing its role as an influential power broker through arms sales to Egypt and Saudi Arabia, and energy deals. One of Russia's key advantages is that it often manages to have decent relations with all parties, as in the Syrian conflict and in Libya. Most of all however, Moscow has shown a willingness to deploy military forces in support of its ally

Assad, which makes it appear a much more dependable partner than the US.

China's influence in the region has also been rising. China is heavily dependent on Middle East oil, but Beijing has also poured investment into the region, signing contracts worth \$28 billion in 2018.⁵⁴ Unlike the US, Beijing has avoided taking sides in conflicts. Instead, it has sought to straddle divisions and develop links with all major regional powers, upgrading bilateral relations by forging 'comprehensive strategic partnerships' with Iran, Egypt, the UAE and Saudi Arabia.⁵⁵ China has also forged closer ties with Israel, with a Chinese firm set to operate the port of Haifa for 25 years.⁵⁶ China is particularly involved in Iran, which is an important component of the Belt and Road Initiative, and it has sided with Europe and Russia in upholding the JCPOA. While China's involvement remains mainly economic, recent reports suggest that Beijing has assisted Saudi Arabia in developing a ballistic missile programme, a development that will make it more difficult to press Iran to limit its own missile programme, and that undermines European efforts to limit proliferation in the region.⁵⁷

If US involvement in the region wanes, Europe will increasingly be pushed to work with other actors, such as Russia and China, to further its interests. Depending on the state of US-Russia and US-China relations, this could undermine transatlantic relations more broadly and turn out to be a source of future friction.

What can the EU do?

Europeans have an interest in fostering peace, stability and better governance in the region. They are faced with the dual challenge of preserving the JCPOA's architecture and preventing possible war in the region between the US/Israel/Saudi Arabia and Iran and its proxies. Europeans also have to find ways to live with the withdrawal of US forces from Syria, avoiding new migration flows and preventing a resurgence of IS or escalation between Turkey and the Syrian Kurds. At the same time they are faced with the further erosion of the two-state solution, and the possibility of protracted conflict in Libya, leading to a renewed migration crisis and a likely strengthening of extremist groups.

The EU should aim to direct the US away from policies that damage European security. Europeans will have greater leverage to achieve this goal if they simultaneously step up co-operation with the US on issues on which they agree. But as this may not always be possible, at the same time Europeans should craft a more coherent and robust policy towards the region.

54: 'Chinese money is behind some of the Arab world's biggest projects', *The Economist*, April 20th 2019.

55: Brett McGurk, 'China's risky Middle East bet', *The Atlantic*, April 29th 2019.

★ Preserving the architecture of the JCPOA

The EU's priority should be to reduce the chances of further confrontation between the US and Iran, and to preserve as much of the JCPOA as possible. For now, the EU should avoid re-imposing its pre-JCPOA sanctions, as this risks pushing Iran towards further increasing its nuclear activities.

If Europeans ensure that INSTEX is able to provide its promised economic benefits, this will make it less likely that Iran will further expand its nuclear programme. The EU should ensure that INSTEX can fulfil its intended purpose, rapidly building up the volume of humanitarian transactions carried out and extending the mechanism to cover oil transactions as well. Europeans should also try to persuade the US that allowing Iran to sell some oil is in its interest, as it makes it less likely that Iran will further expand its nuclear programme, and more likely that it will agree to negotiations.

At the same time, the EU should also co-ordinate with Russia and China to jointly state that Iranian steps to

56: 'China's growing interest in Middle East sets off US alarm bells', *Voice of America*, April 23rd 2019.

57: 'Exclusive: US intel shows Saudi Arabia escalated its missile program with help from China', *CNN*, June 5th 2019.

further develop its nuclear programme, such as enriching uranium to significantly higher levels than the JCPOA allows, modifying the Arak reactor to produce weapons-grade plutonium, or suspending implementation of the IAEA's 'Additional Protocol' (which gives the Agency the ability to carry out enhanced monitoring of the nuclear programme), would result in a co-ordinated re-imposition of sanctions. A re-imposition of sanctions could be gradual and happen in several phases, to give Iran the chance to rethink.

★ Reducing the risk of regional conflict

Taking action to preserve the JCPOA will make conflict less likely. Europeans should make use of their lines of communication with Iran to clearly explain US red lines and vice versa. Europe should stress to Iran that tit-for-tat responses to US pressure is a highly risky strategy. Holding another round of consultations with Iran in the E4+EU (France, Germany, UK, Italy and the EU) format could help communicate Europe's support for the JCPOA, while also conveying European concerns over regional tensions.

“Europeans should attempt to steer US policy away from Bolton's line of greater pressure.”

At the same time, Europeans should attempt to steer US policy away from Bolton's line of greater pressure, towards the talks with Iran that Trump has repeatedly said he wants. Europeans should emphasise that highly public US retaliation to Iranian actions risks pushing Iran towards further expanding its nuclear programme to increase its leverage. Both de-escalation and negotiations require that the US reduce its economic pressure. Talks should focus on the nuclear file: Iran is only likely to agree to restrictions on its ballistic missile programme if these are part of a broader agreement to limit missile proliferation in other countries. And it is unlikely to reduce support for its proxies unless it has reason to believe others will not take advantage. It will be easier for Europeans to persuade Washington if they dispel the US perception that their efforts to uphold the JCPOA mean they are unwilling to challenge Iran's behaviour. Member-states should signal their willingness to use their naval assets in the region to co-operate with the US to protect shipping through the Gulf.

While working towards US-Iran de-escalation, Europeans should also try to de-escalate tensions between Iran and Saudi Arabia. The EU is well positioned to do so, as some of its member-states traditionally have good relations with Saudi Arabia, and others with Iran. De-escalation

58: Beth Oppenheim, 'You never listen to me: the European-Saudi relationship after Khashoggi', Centre for European Reform policy brief, May 2nd 2019.

could start from renewing the push for a negotiated end to the civil war in Yemen. As set out in a recent CER policy brief, there are good reasons for Europeans to reconsider the extent of their support for Saudi Arabia.⁵⁸ Unconditional western backing for Saudi Arabia encourages the kingdom to ignore calls for peace in Yemen and to be more confrontational towards Iran.

★ Preserving the two state solution

Europeans should steer US proposals away from grand economic initiatives that presuppose a political solution and could prove inflammatory, towards smaller incremental steps such as easing the blockade on Gaza. The EU could offer to place observers on crossing points between Gaza and Egypt, using its leverage to overcome opposition from the PA and to foster reconciliation between the PA and Hamas.⁵⁹ It should also redouble its efforts to find a way out of the Palestinian Authority's current funding crisis, which risks stability in the West Bank. Finally, Europeans should deepen their differentiation policy towards Israel, to dissuade it from taking steps which would prejudice a two state solution, such as further expanding its settlements, or annexing the West Bank.

★ Reducing the risks of escalation in Syria

In Syria, the EU could seek to persuade Washington to slow down its withdrawal by emphasising the risk that this could lead to greater Iranian influence in Syria and Lebanon, endangering Israel's security, and possibly leading to a resurgence of IS. However, if the US leaves, the EU's leverage to shape political developments will be limited: it is clear that any political transition would largely take place on terms set by Assad, Iran and Russia. The EU should limit itself to providing humanitarian aid, and refuse to pay for reconstruction unless and until a meaningful transition takes place.

★ Re-establishing a coherent transatlantic position on Libya

In Libya, the key challenge for the EU will be to guide the different parties towards a ceasefire and then renewed negotiations. To persuade the GNA and Haftar to accept a ceasefire, Europe will need to show it is ready to curtail the support that each side receives. Europeans should attempt to steer the US towards such a policy by highlighting the risk that violence in Libya will destabilise the whole of the Sahel region and lead to a strengthening of extremist groups. Together the Europeans and the US could jointly police the UN arms embargo on Libya through NATO – as they did in Yugoslavia (through the Western European Union and NATO) in the 1990s. But, if the US is not willing, the Europeans should provide their existing common security and defence policy operation Sophia with assets to enforce the UN arms embargo on Libya.

59: Beth Oppenheim, 'Beyond firefighting: An EU strategy for Gaza', Centre for European Reform insight, June 29th 2018.

★ Stepping up co-operation with the US where possible to rebuild trust

Where possible, Europeans should step up their co-operation with the US. This will give them greater ability to steer US policy away from positions that are damaging to their interests on more controversial dossiers, such as

Iran or the Middle East peace process. There is scope for closer co-operation in Libya, Iraq, Jordan and Lebanon. NATO may be an especially valuable framework within which the US and Europeans could work together, especially if its mission in Iraq proves to be a template that could then be extended to other countries.

Conclusion

US and European policies towards the Middle East are in a mixed state of discord and co-operation. Europeans have clashed with the US over Iran and the JCPOA, and Trump's unilateral foreign policy choices have created new challenges for the EU in Syria and Libya. Disagreements over other issues, such as Saudi Arabia and Israel/Palestine have been contained, often because of the EU's weakness and its internal divisions.

Differences could get worse: the split on Iran may grow further if the US ramps up pressure while Iran maintains restraint. Looking beyond 2020, there would still be scope for disagreements even if Trump is succeeded by a Democrat. And any US president is likely to prioritise dealing with the challenge from China, and place less emphasis on the Middle East.

Europeans should steer US policy away from escalation and try to co-operate more closely with the US in areas of common interest. But ultimately, Europeans will need to shake off their passivity if they want to secure their interests in the region. One of the key challenges will be generating and maintaining internal unity. When the EU is not able to reach internal consensus, member-states should be ready to act through coalitions outside of the framework of the Union's Common Foreign and Security Policy, prioritising action over unity. Flexibility in the format in which co-operation occurs will be even more important in order to co-ordinate closely with the UK, if and when it leaves the Union.

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