

Spontaneous vs. Legal Approximation: The Europeanization of Israel

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A. Introduction

The article shows 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 the ones 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 adoption of the *acquis* in 2010 should be less of a hassle than any time before.

B. The Theoretical Argumentation

The programme launched by Jacques Delors and Lord Cockfield, of the European Commission, for the Completion of the EU's Single Market, the so-called '1992' project, advocated an accelerated path for the creation of a true European-wide economic space ensuring the freedom of movement for goods, services, manpower and capital (the so-called four freedoms). This was achieved by elimination of all fiscal, administrative and technical barriers to trade remaining in these four dimensions between Member States. The acceleration for the creation of a space without internal borders was to be possible because a new approach for the elimination of barriers was adopted, namely implementation of the principle of mutual recognition among EU Member States of norms and standards. It would complete the old approach, consisting in comprehensive harmonisation of Member States' rules, an obviously cumbersome and unpractical procedure. Acceleration was also possible because the Single European Act of 1986 determined that most Internal Market issues would be decided henceforth by Qualified Majority Voting, the so-called QMV, whereby most decisions related to the completion of the Internal Market would not have to be taken anymore by unanimity, but 'only' by a majority. As is well known, about 300 directives were adopted to this end. The elimination of internal border controls on the movement of persons (a

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reality since 2004) was first dependent on the conclusion of an intergovernmental agreement, the so-called Schengen Agreement (which incidentally was not signed by several EU Member States like the UK). But it became later incorporated in the so-called '*acquis communautaire*' after the Amsterdam Treaty was signed in 1997 (although with some opt-outs given to several recalcitrant countries).

Of course all candidates to membership in the EU after 1986 had to approximate their laws to the Internal Market *acquis* before becoming full members of the EU. Extensive approximation was also required from the EFTA Members joining the EEA.

It will not come therefore as a surprise to the reader that when the EU came forward in 2003 with its new initiative termed the European Neighbourhood Policy which included the by-now famous proposal of offering Israel and other countries bordering the Enlarged EU 'a stake in the Internal Market', the EU was going to add that for that partner countries would have to adopt the relevant piece of *acquis* regarding which they wanted to benefit from being a member of the Single Market. This means of course the EU's *acquis*. But in order not to sound too much as a *diktat*, the official jargon speaks euphemistically of 'legal approximation', a clear understatement.

At first, when Israeli officials and experts hear such an assertion, they are taken aback, because on the one hand Israel is not going to be offered to become a full member in the wake of adopting the *acquis*, and second because, as stated once upon a time by the former President of the Commission, Jacques Delors, the *acquis* is more than 80,000 pages long. Admittedly 'a stake in the Internal Market' should imply adopting substantially less than such a huge amount of legislation (e.g. Norway has adopted an estimated 5000 EU directives as its own law).¹

But even so, at this stage of the internal debate in Israel, there are always some scholars which state, paraphrasing, that "the Israeli parliament, the Knesset is incapable to legislate on so many matters" or that the government has not "the administrative capacity to prepare the relevant legal proposals." This seems to this author preposterous, given that countries coming out of the administrative and legislative chaos prevailing in much of post-1989 Eastern Europe have been able to adopt the entire *acquis*. Reference is made here, e.g., to Lithuania, Romania and Bulgaria. And Portugal did it already more than two decades ago in the 1980s. If Israel is incapable to do it, then it is difficult to envisage the country to be able to stand by its obligations as member of the OECD, an organisation to which it was invited to join in May 2007.²

Another prominent Israeli legal expert has stressed that Israeli Family Law is influenced by the Jewish religion and that Israeli Common Law is influenced by Talmudic Law, rather than by Catholic or secular values, as is assumed to be the case in the EU. This would suggest that much of Israeli Law is incompatible with the *acquis*.

¹ The Economist, 14 June 2003, at 7.

² It is useful to remind here that once Israel becomes a member of the OECD it is supposed to adopt 'best practices', to respect 'benchmarks' and undergo 'peer review' conducted by other OECD member states.

Such a view ignores, however, the fact that many current member countries have their laws influenced by religions not shared by most of EU Member States (e.g. Greece, Bulgaria, Romania and Cyprus, to mention a few).

More generally cultural and religious diversity, so prevalent in Europe, militates in favour of 'soft' standardisation (the new approach) over 'hard' standardisation (the old approach). And this can only suit a country like Israel.

But this is not the main argument contained in this article, which is as follows: Legal systems are based on local customs, habits, norms, standards, legal tradition, culture and history and probably a lot of other things. The larger or smaller difficulty of doing a legal approximation is a direct function of the distance separating the two legal systems, namely the one of the EU and the one of the partner (here Israel), at the time the approximation is to take place. The *acquis* is generally based on a broad consensus reached upon in the services of the Commission after wide consultation of different actors all over the EU and also COREPER³ members. This means that the *acquis* is a kind of average, although in many cases must be limited to the minimum common denominator. For small countries in the periphery of the Western world, deepening integration means *de facto*, first and foremost, economic converging and eventual anchoring in the single largest economic entity in their geographic proximity (e.g. ASEAN economies to Japan; Mexico and Central America to the US; Mediterranean countries to the EU).

C. Applying the Argument to the EU-Israeli Case

In the specific case of Israel, customs, habits, norms, standards and culture are very close to the ones 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.

Overall Israel's and the EU's economic, social and demographic structures have been converging in the last two decades to the point that adoption of the *acquis* in the year 2010 should be less of a hassle than one could have been thinking about a quarter of a century ago.

Probably one of the reasons of the convergence is due to globalisation. Basically speaking, Israel has joined the West. Deep integration is only possible among like-minded countries, preferably not-too-distant geographically. That explains why Israel is a natural member of the European economic and political space, much before becoming a legal member.

Finally, although geographic distance is less important as a factor of economic integration as 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 the Eastern Mediterranean. There are now eight Member States sharing the same time zone as Israel (Greece, Finland, Estonia, Latvia, Lithuania, Cyprus, Bulgaria and Romania). In the same vein, all planes flying out of Israel in the direction of

³ The COREPER is the Committee of Permanent Representatives, i.e. the ambassadors of the member states in Brussels.

the West must fly through Cyprus, Bulgaria or Romanian air space. Thus issues of air traffic control and air defense and security will have to be increasingly discussed with Brussels.

I. Empirical Evidence of Convergence

In order to back up the above-mentioned contentions the paper proceeds now by adopting a comparative dynamic approach to analyse what has happened over the last years both in Israel and in the EU, using the most updated data that this author was able to trace. This *demarche* has as an aim to analyse whether there has been some convergence or not, and if so which of the two partners has converged to whom.

1. Convergence in Macroeconomic Indicators

Israel's GDP per capita at market prices is lower than the EU-27's average GDP per capita; for 2003 respectively 17.259\$ vs. 23.367\$. If instead of using average figures, use is made of median GDP per capita, it appears that Israel would be the median country among an EU of 28 countries including it. The growth rate of Israel's real GDP per capita has been higher than the corresponding one in the EU-27 for four and lower for six years in the decade ending in 2006. Thus there has not been either convergence or divergence when comparing EU-27 and Israeli standards of living. However, the real growth rate of Israel's GDP has been consistently superior or equal to the one of the EU-27 since 1997, a decade ago, but for the years 2001 and 2002 (where it was negative). The gap in favour of Israel was reached in the year 2005 when the respective rates were 5.2 percent and 1.7 percent 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 is similar (around eighteen percent to twenty percent in the last decade), which means that the higher Israeli productivity in the last ten years results probably from an increasing participation of women in the labour force. Saving rates in the EU and in Israel are almost identical.

Turning now to labour markets, Israel's total unemployment rate has been consistently higher than the EU-27 average rate in the last eight years but here there has been some convergence, as the EU-27 average has been going down from 9 percent in 2003 to 7.9 percent in 2006, while the Israeli rate has decreased from a record 10.7 percent to 8.4 percent (i.e. Israel's unemployment rate is similar than the one prevailing in the EU-27 and higher than in the US). What is more significant is that employment growth rates have been consistently higher in Israel than in the EU-27 for every year since at least 1996. Given that Israeli labour force participation rates have been consistently lower than in the EU (because of extremely low participation rates in the Jewish orthodox and Arab sectors), the numbers above point at Israel's convergence with the EU-27 levels.

It is well known that Israeli inflation rates which in the period 1995-1998 were still hovering around 8 percent have drastically diminished, remaining mostly under 2 percent since then; in the same period the EU-27 average has been 2 percent. 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 (e.g. for 1998 102.5 percent and 67.5 percent respectively; for 2006 87.8 percent and 62.2 percent respectively), again a clear Israeli converging trend towards European levels can be discerned.

In a piece by Bardi and Sagiv, based on surveys done in the first half of the 1990s the authors came to the conclusion that the similarities and differences in the cultures of both help to explain a convergence on economic development policies and views, but less so on environmental issues and human rights.⁴ Their conclusions fit then with the empirical evidence above, since it is the macro-economic indicators of Israel which are the ones having converged to the European ones.⁵

All experts concur that Israel could have been an OECD member for years had it not been for political reasons. Convergence towards European-type levels, shown above, has probably been a factor to convince some reluctant EU members to have Israel invited by the OECD in May 2007 to join the organisation. In an EU of 27 or 28 Member States (if Turkey is included), Israel would represent the median level of income. Israel's GDP is larger than the one of 11 of the 12 new Member States (Poland being the exception).

Contrasting with their case, integrating Israel in the EU would not require from the latter pre-accession aid. On the contrary, 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 the one of any of the latter.⁶

2. Convergence in Socio-Economic Indicators

Turning now to some social and health indicators, life expectancy at birth is higher in Israel compared to the EU-25 by three years. Interestingly although life expectancy has been increasing in both Israel and the EU, this gap has been maintained: for 1994, 75.5 and 72.6 years respectively; for 2005, 78.3 and 75.8 years respectively. Health expenditure as a percentage of GDP, using 2004 data, is higher in Israel (8.4 percent) than in the EU-25 (7.4 percent), but here there is a trend towards convergence as the rate in the EU-25 has been increasing consistently since 2000 while the Israeli rate has remained stable. So here it is the EU that is converging to Israel patterns. Fertility rates are much higher in Israel

⁴ A. Bardi & L. Sagiv, *The EU and Israel: Comparison of Cultures and Implications*, in K. Boehnke (Ed.), *Israel and Europe – A Complex Relationship*, at 13-36 (2003).

⁵ In terms of values apparently Israelis come closer to British and Irish values, according to the two authors.

⁶ Israel's GDP and GDP per capita rose respectively by 65 percent and 35 percent between 1991 and 2000. Israel's GDP is larger than the one of Ireland and twice the one of Hungary or the Czech Republic.

than in the EU-25 but there is also a slight and mutual convergence over the years as the EU-25 rate is up from 1.48 percent in 1997 to 1.52 percent in 2005, while the Israeli rate is down from 2.93 percent to 2.84 for the same years (due mainly to lower fertility rates among Arab Israelis).

3. Institutional Convergence

This author has been told many times over by European experts and using a paraphrase that if it would depend on them, they would give preference to Israel membership in the EU over Turkish membership. Note that such a bold statement is not made by those making the point because Israel has a Jewish rather than a Muslim majority, as Turkey does. The reason given instead is that economically and socially Israel is much closer to the EU average (see above) than Turkey, even leaving cultural proximity aside.

So, why is Turkey being considered for membership and Israel is not?

Apart from the obvious fact that Turkey has aspired to become a member at least since the 1960s and has applied formally in 1987 already to become one, whereas Israel has never manifested even its intention to do so, there are institutional and geographic reasons for this divergence.

Turkey was part of the original OEEC of 1948, benefiting even from Marshall Plan aid. It thus became one of the founding members of the OECD later on. Turkey is a member of the Council of Europe from the beginning in 1949 and became a NATO member in 1952. Israel is not a member of none of these organisations. Turkey has a Customs Unions agreement with the EU since 1996, Israel has 'only' a Free Trade Area Agreement with the Union. Then one could say that Turkey is geographically and strategically more 'European' than Israel.

Observe however that although formally this explains why in the line for potential membership Turkey was always much before Israel, the European Commission did not recommend accession of Turkey in 1987, while the Luxembourg European Council of 1997 turned down the idea of starting accession negotiations with Turkey. Although some of the reasons invoked were of a political nature, it was the socio-economic and cultural aspects that dominated already then and are still dominating now European opposition to Turkish membership. The current position of the German Chancellor Merkel and the French President Sarkozy regarding Turkish membership is not primarily based on Turkey's non-respect of Human Rights, the shadow of the military over its executive or its treatment of the Kurdish minority. For these two leaders the worry is not that Turkey is not a democracy, not even that it is not secular enough. Both are apprehensive of the socio-economic-cultural distance between the EU and Turkey. And they represent now the French-German inevitable duo of countries without which not much can be done in the EU nowadays.⁷

⁷ The geographical argument used incidentally, sometimes by President Sarkozy, whereby Turkey is geographically in Asia, ignores that Cyprus is so as well. There is another dimension to European apprehension regarding Turkey and this is its sheer size, more than 70 million people, which would make of Turkey the second largest EU country to be represented correspondingly in EU institutions.

Coming back to Israel, it has taken the EU many years to recognise 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 addressed to the case of Spain and Cyprus. However, as is well known, the EC had no problem in upgrading and switch 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 reasons and not for geographic reasons was left in the Mediterranean group. This last point deserves for once clarification. Both Spain and Cyprus had been since long members of the Council of Europe. This was actually the formal reason for considering Cyprus as part of Europe and not that Cyprus was geographically part of Europe (which it is not; see footnote 7). The EU has never adopted a map of Europe with indication of its borders to classify countries into European and non-European for the purpose of making foreign policy. In the case of Israel, the 1967 and 1973 wars led to a sharp deterioration in Israel-EU political relations, which lasted at least until 1993. Israeli protests notwithstanding, the EU refused consistently to consider Israel's argumentation of considering its high level of economic development as the defining feature for its classification in the EU system of foreign relations. It is interesting to observe that Israel did not put forward until recently the argument that it was a European-type of democracy, in the erroneous belief that the EU was basically an economic entity, not one with political aspirations.

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 Mashrek countries, as one more of the Mediterranean Partners.

But quite significantly, Israel became in 1996 a member of the EU's 4th Research and Development Programme (this status has been renewed repeatedly, Israel participating also in the 5th, 6th and 7th Programmes). Although unconnected to the EU, Israel became in those years a member of the UN's Economic Commission for Europe.

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 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 neighbour. As such it could benefit from a new approach called 'differentiated integration', whereby neighbours wishing and able economically to come closer to the EU, could choose to do so, of course in coordination with the EU.

Since Israel had since long argued for it, it saw it as a window of opportunity allowing to upgrade relations with the EU. Until now, there is no concrete institutional translation to this, but in principle the implementation under the

aegis of the ENP of the so-called EU-Israeli Action Plan of 2004 could lead either to an upgrading of the current 1995 Association Agreement or to the conclusion of a new type of agreement altogether.

Outside the EU framework, Israel has been invited in May 2007 by the OECD to commence negotiations for its inclusion in the organisation. More than half of the OECD's membership is made up by EU member countries.⁸ This means that the latter approve openly Israel being part of the OECD. This is also in the view of this author significant because 7 EU members out of 27, all democratic and developed market economies, are not slated to become yet OECD members.⁹

II. The Europeanization of Israel

Europeanization is a concept much used by scholars for more than a decade now but it has until recently been applied only to EU member states. Wikipedia asserts that Europeanization refers to a number of related phenomena and patterns of change. It states that outside of the social sciences, it commonly refers to the growth of a European continental identity or polity over and above national identities and polities on the Continent.

Therefore the emphasis is on the transformation of identities. But Europeanization may also refer to the process through which EU political and economic dynamics become part of the organisational 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*'. But more generally, Europeanization in political science has been referred to as 'becoming more European like'.

This can clearly apply to non EU-members as well. In the view of this author, it happens spontaneously, partly by osmosis, partly by mimetic adoption of norms, procedures, values, standards adopted elsewhere. It can be driven by political expediency, functional needs and practical considerations.

It must not come either by decree, or by legal approximation. In the case of the non-member, much of the approximation is involuntary, non-planned, in the sense that it is driven by globalisation, regional integration, and 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 termed positive integration). The reason is quite obvious. The second requires adopting of norms decided elsewhere (in this case Brussels), something unpalatable for democratic countries such as Israel.

Note that a distinction must be done 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

⁸ Note that 19 EU members are part of the OECD. Estonia has been invited to join in the same call extended to Israel.

⁹ Slovenia, Lithuania, Latvia, Malta, Cyprus, Romania and Bulgaria. All have lower living standards than Israel but so do many other EU members of the OECD (Greece, Portugal, Poland, Czech Republic, Hungary and the Slovak Republic).

have existed or been there since 1948. For instance, in a book already dated in 1970, the current President of Israel, Shimon Peres, stated that the country was closer to Greece, Italy, Turkey and France than it was to Saudi Arabia, Yemen or the Republic of South Yemen.

In the same vein, former prime Minister of Spain Aznar said in a conference at the Interdisciplinary Centre in Herzlia in 2004 that Israel is not a Middle Eastern country but a Western one, where, he said, he feels at home. It is an integral part of the West and not only on purely strategic grounds. He further stressed that it is in the West's interest to have Israel inside NATO, the institution representing its values.

Former Ambassador of the Czech Republic in Israel, Mr. Kumermann, stated in a conference organized in Jerusalem by the Council of Foreign Relations in 2003 that Israel has more in common with Europe than with the US. Member of Israeli Parliament, Silvain Shalom, a former Israeli Foreign Minister, said in this capacity in the early years of this century in a closed meeting at the Ministry attended by this author that Israel cannot without Europe and Europe cannot without Israel. 50 percent of Israel's population is from Europe, he added. He went on saying that EU membership should not be excluded but any approximation had to be well thought out and done in incremental steps.

Paraphrasing the *Economist* where the front page of one of its issues stated that "Turkey belongs in Europe",¹⁰ many scholars, including this author, would say that Israel belongs in Europe as well, if not more so. Already in many ways Israel is part of European culture, entertainment and mass media activities (e.g. actively taking part in Eurovision and sporting contests). And taking a step back, for Theodore Herzl, the founder of political Zionism Europe should be taken as an example of how the Jewish State should look like politically and culturally.

Israel's first Prime Minister Ben-Gurion is known to have declared to Chancellor Adenauer in one of their historic encounters that European Jewry was at the basis of Israel's creation. As Professor Dan Diner, of the Hebrew University, says "Israel is from Europe", rather than in Europe.

So much for the European identity of Israel. But is there something in the assertion that there is a slow and implacable Europeanization of Israel? Is this concept applicable to Israel? The author's answer is a cautious and provisional 'yes'. The jury is still out, because the phenomenon described here is on-going. The Europeanization of Israel is of recent date and less influenced by what the EU has done to Israel, than what globalisation, internationalisation and regional integration have done to it.

In fact, there are at least three aspects to the issue.

Obviously one can refer to the fact that Israel is converging to the European model at a faster rate than it is converging to the US model. This is the first aspect.

But Europeanization presupposes that it is preceded by the existence of a distinct European identity and a European role model. This is of course a concept

¹⁰ See *The Economist*, 5 December 2002. In the same vein Javier Solana, the CFSP High Representative manifested himself in *The International Herald Tribune*, 7-8 December 2002 when he said he wished "seeing Turkey take its place in Europe."

which prospered only recently in the wake of the EU success in creating an Economic and Monetary Union. In the 1970s and 1980s, there was much talk about the Americanization of Europe. This is a second perspective.

Third, globalisation itself implies un-planned approximation driven by technological progress in the domain of transport and communication but also by a general mood and willingness to smash barriers between societies. This is typical of periods of optimism and self-confidence. This is also why it is driven by successful countries in the fields of science and technology. Not surprisingly we find both the EU and Israel in the forefront of globalisation. This is a third aspect.

This paper will now address therefore the following three questions, which are related to the three aspects just discussed.

Is Israel more Americanized than EU Member States?

In the 1980s and early 1990s, at a time EU-Israeli relations were at a low point, some sociologists started speaking about Israel's 'Americanization'. 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 the 4th of July as their own national holiday, displaying US and Israeli flags in their cars.

But these assertions were willingly ignoring that Americanization was at that time a world-wide phenomenon. In fact it affected and continues to affect the EU and Israel alike. That Israelis, e.g., have been influenced by popular American culture in the field of music is not different than what is observable in Europe. It is false to think that Israel is more Americanized than the average EU Member States. This might be true when comparing Israel to France or Spain, but certainly not when doing so in comparison to the UK, Ireland and the Netherlands.

And as a rule the EU has tended to reject American-style standardization at least since the mid-1980s; Europeans tend to prefer soft standardization to preserve local values, local languages habits and so on and such an approach should suit Israel as well, being a nation-in-the-making, fighting to preserve its identity.

For instance the Israeli public seems to be as aware as the average European country about the need to restrain across-the-board imports of cultural goods (such as audiovisual productions) from the US by, e.g., subsidizing local films.

Is Israel more 'US-oriented' or more 'European-oriented'?

When relating to relative economic, social and cultural distance, it has been argued by some that Israel is more 'American-oriented' than 'European-oriented'. But this is not the story told by trade integration figures:

Table 1: Share of the EU-27 and the US in Israel's foreign trade in 2000 and 2006 (in percentage)

	Diamonds included		Diamonds excluded	
	Imports	Exports	Imports	Exports
	EUROPEAN UNION			
2000	44.1	28.8	41.9	35.0
2006	37.7	27.9	37.2	33.6
	UNITED STATES			
2000	18.6	37.4	21.9	29.7
2006	12.4	38.4	13.4	31.4

First thing to observe is that diamonds should be really excluded from trade figures for reasons that do not need further explanation. Focusing then on the rest of Israel's trade, the EU was the first export partner of Israel both in 2000 and 2006: 35 percent and 33.6 percent respectively; the US was the second with 29.7 percent and 31.4 percent respectively. Observe that the US tends to catch up with the EU, even when including all the 27 Members.

The picture regarding imports is totally different: the EU was the first import partner of Israel in both years by far: 41.9 percent and 37.2 percent respectively; the US was a poor second with 21.9 percent and 13.4 percent respectively. Clearly on the import side the gap between the EU and the US has increased. The conclusion seems to be that the decrease in the share of Israeli exports to the EU has been to the benefit of exports to the US rather than an increase of the share of exports to other destinations (such as China or India). On the other hand, the decrease in the share of Israeli imports from the EU is due to the tremendous increase in the share of imports of countries other than the US.

But as is well known, cultural influence by overseas trade partners is gained via consumer goods and services imports, which embody culture (and not from exports). The figures mentioned show that consumer goods come overwhelmingly from the EU, not from the US. Obvious examples are furniture, cars and food. The same applies to services. The number of Israelis traveling for leisure to the EU is much larger than to the US.

In passing, Israel uses the same metric system, same liquid volume measures, the same temperature measures, measures for clothing and shoes, road signalization as in continental Europe. In this respect Israel is closer to Europe than the UK, Ireland, Canada or the US.

How has globalisation contributed to the convergence between the EU and Israel?

First, observers of the Israeli scene report about a slow but persistent shift towards less nationalistic outlooks. This has again to do with two phenomena. On the one hand, the on-going conflict with the Palestinians seems to many interminable and lasting. It wears down even the more enthusiastic bearers of the flag. A shift from seeking collective rewards to reach individual fulfillment seems to be pervading more and more Israeli youth. On the other hand, and quite

ironically, the ease with which Israelis can nowadays communicate with the rest of the world either physically or virtually is changing perceptions, particularly in a country at the forefront of technological innovations in the domain of transport and telecommunications.

Israelis can now see for themselves that in a way they are not so 'special'. How does this relate to Europeanization? Every EU Member State politician has a propensity to affirm that his country 'is special', that it is 'different'; this is what nationalism is made about; and it is very resilient. Israel is not an exception. Franco, the Spanish dictator, tried to convince his compatriots for 40 years that 'Spain is different'. He obviously did not have much success when an offer was made to Spain to join the EU after he disappeared from the scene. In fact a framework has been created to accommodate differences among countries and not a straight jacket: this is what the EU is about. And Israel could be part of it. It is 'special', but no so 'special' anymore.

Second, and quite unexpectedly, the demographic, social, ethnic, religious and cultural made-up of the EU have come closer to the Israeli model due to globalisation. This might seem surprising to some readers. But consider the following. Demographically, a little less than 20 percent of the resident population in Israel in its 1967 frontiers is Muslim. This share has been rising over the last two decades but very slowly relatively speaking. On the other hand whereas 20 years ago the percentage of Muslims in the resident population of the EU-15 was around 2 percent, their share has been increasing by a much higher rate than in Israel. That share of the Muslim population in the EU is going likely to converge to Israeli levels.

There is also convergence in a second sense. The share of 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. Tel Aviv has become a typical European-Mediterranean city, in the same category as Barcelona, Naples, Athens or Marseilles.

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 (e.g. the Philippines). For instance about three of the four million new immigrants arriving to Spain in the last decade came from Latin America. In other words, whereas Israel since its inception has been always considered an immigration country and an immigrants' society, the EU could not at all be considered as such until the mid-1980s. In fact, as is well known Europe had been a continent of massive emigration until the First World War, while in the inter-war period the record is more mixed because of the waves of immigration into France both from Italy and from Eastern Europe. After World War Two there is intra-European immigration complemented by immigration from former colonies of France, the UK and the Netherlands into the former *metropolis*. However, all these flows were all but stopped after 1973

in the aftermath of the oil crisis and the recession which followed. And many European citizens were still migrating in the 1950s and 1960s to the US, Canada, South Africa and Australia from Greece, the Netherlands and the UK.

The picture has totally changed since the mid-1990s. Countries such as Greece, Italy and Spain have become important destination countries for migrants from Africa, Eastern Europe and Latin America. The United Kingdom has become the home of substantial numbers of Eastern Europeans. All this has reached a point where one can ask whether Europe has not become or is not also becoming 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 sum, 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 globalisation. This is not to speak of the recent EU Enlargements which have brought in new Member States with important national minorities (e.g. Russian, Roma). If Israel was 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!

It is true that the religious made-up of the EU and of Israel have not been converging but this is, in the view of this author, irrelevant to 'Approximation of Laws' and 'Europeanization', the subject of this paper. The EU is not a Christian club; it is a secular club. As Adrian Hyde Price of the University of Bath stated recently in a conference in Jerusalem, some European Muslims are against the EU not because it is Christian but because it is secular. There was no consensus in including the word 'Christian', nor even the word 'Christian heritage' in the project of EU Constitution, which was not ratified. And there is no mention neither in the new project being circulated for approval at the December 2007 European Council. For those in Israel who state like Gerald Steinberg of the University of Bar Ilan that December 25 is a day celebrated all over Europe and ignored in Israel it must be reminded here that in the EU-27, neither Greece, Cyprus, Bulgaria nor Romania celebrate December 25, as these countries are populated by large Christian Orthodox majorities.

In one other respect, there is still not convergence but then neither divergence between Israel and the EU. Reference is made here to the rapid ageing of the EU's societies, a trend which is still not visible in Israel. But here too there are signs of convergence, first because in order to counter the ageing trends, some European countries are opening precisely their gates to working-age migrants to counter the trend. Moreover, it is well known that the fertility rates of migrants are generally larger than the ones of native Europeans. Regarding Israel, although it is a little soon to tell, there are reasons to believe that the fertility rates of Israeli women will diminish in coming decades for different reasons, including massive incorporation of females in the labour force; lengthening of study periods; more individual fulfillment; less nationalistic inclination (see above).

III. The EU from 1986 to 2007: Deepening and Enlarging

This paper has shown that from an economic, social, demographic and cultural viewpoint, Israel resembles increasingly to 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. In such an EU, Israel should find its place once the Arab-Israeli conflict is solved and combining it with a simultaneous entry into NATO.

Beyond the structural changes that have been taking place in the economy and societies of Europe in the last two decades, the EU itself has been affected by the double process of deepening and enlargement. The deepening has involved the completion of the Single Market, the introduction of the Euro in 13 of the 27 member countries, conferring new competences to the EU in the domain of Justice and Home Affairs and of the environment; and soon on Migration and Foreign and Security Policy. Two more countries are slated to join the Euro in 2008. Also since 1986 the EU has enlarged from 10 to 27 countries, becoming much looser than before. A lot of opt-outs have been admitted, 'enhanced cooperation' has entered the EU jargon, as has 'subsidiarity', a way of limiting supra-national steps to the strict minimum.

Never has the EU appeared as nowadays as a patchwork, for better or for worse. The EU's heterogeneity has become its emblematic feature. The EU is not monolithic. In its workings, it resembles more and more the way the Austro-Hungarian Empire functioned. Empires are based in values and norms dictated by and large by core countries; the number of norms and standards to be respected by outlying members of the empire is a decreasing function of their economic and geographic distance to the core.

From such a perspective, Israel can increasingly be considered part of the EU 'empire'. On the one hand, it has been shown that with time passing Israel has on some accounts come closer to the EU. But interestingly and quite independently, there have been changes that have brought the EU closer to Israel.

The EU-27 is much closer mentally and culturally to Israel than before the last two Enlargements, not to speak about geographic and economic proximity. The renowned author Milan Kundera is known to believe that Israel is at the heart of Europe. Without hesitation one can state that of all the countries considered for the ENP's approach, the one coming closer economically and politically to the conditions prevailing in the countries having experimented with sector-specific agreements (Switzerland) or with membership in the European Economic Area (Norway or Iceland) is Israel. Geographically, Israel and the EU are 32 minutes away by plane since 2004.

The 2004 Enlargement to the East has shifted EU views about Israel. Quite simply stated, the new EU members are among those favouring closer relations with Israel (including membership, as spelled out for instance by former Polish Foreign Minister Geremek in *Le Monde*, May 17 2002). They are also countries to which Israelis can relate easily.

The 2007 Enlargement brings the EU and Israel even closer from an overall viewpoint. Even if Cyprus is physically closer, the relative demographic and economic size of Romania and Bulgaria in relation to Cyprus is much more significant for Israel in shifting the EU centre of gravity and therefore attention to the problems of the Eastern Mediterranean.

And Romania and Bulgaria are countries which have had a disproportional influence on Israeli customs, habits and culture; the Israeli diet and folklore borrows heavily from them. Communication between Israel and the two countries are easy; the mental distance is small. Even more relevant is that the populations of the two countries having joined the EU in 2007 are not by and large anti-Semitic.¹¹ The two new members' governments are strongly pro-US, as Israel is. Finally with the entry in the EU of these countries, particularly Romania, the EU is more Mediterranean and more Latin.

In the reverse direction, Israelis as individuals are much closer to the new EU at 27. According to a recent poll prepared for the Konrad Adenauer Foundation, 36 percent of Israelis are eligible for EU citizenship (of those 50 percent from Poland, 15 percent from Romania, 10 percent from Germany, 9 percent from Hungary, 6 percent from Bulgaria and 6 percent from Greece). This poll shows how the last three waves of EU Enlargements have changed Israeli perspectives about the EU since 1980, a time when only Israelis originating in one of these six countries (Germany) could easily identify with the EU if they so wished. And this poll does not consider Israelis originating in Croatia, negotiating now for EU membership. Neither does it take into account the Ukraine, Moldova, Albania and Serbia, which are all mentioned as having the perspective to become members of the EU in the future.

D. Some Preliminary Conclusions

Israel was born out of Europe and has never fully separated from Europe in spite of political efforts made by the Zionist movement and later on the Israeli establishment in the 1930s, 1940s and 1950s to do so. The EU-27 and Israel share a common history, ethic, heritage and many languages. In fact both Israel and the EU were born out of the ashes of the World War Two and the Shoah. Both are daughters of European history. They are simply two different political and parallel experiments, which do not exclude themselves mutually.

What is said here about Israel and the EU converging fits the neo-functional theory of Ernst Haas: integration must come from below, spilling over increasingly to new fields; the political element should be left for the end, as Jean Monnet implied. Turkey has followed the reverse path and has failed. Conversely, the constant interference of political factors and events have not prevented Israel and the EU to come closer together.

If the thesis defended in this article is correct, legal obstacles, like the Israeli Law of Return, will melt down once there is further convergence not only of

¹¹ As different with what happens when relating to Roma.

economic structures but also of values, norms, habits and customs on the ground. Epistemic communities are being created right now, constituted by Israeli and European scientists, through a process of socialization; the same should occur with education soon (e.g., the Bologna Process).

It is not only the economy that is a key factor converging but also science and technology. With over 600 joint EU-Israeli research projects and 140 proposals for research generated from Israel alone in 2003, Israel remains an influential partner of the EU in the field of science.

Note that in the case of Israel, approximation does not mean upgrading as for other neighbours; sometimes it could mean even downgrading. Israel and the EU can look at each others' eyes in the domains of Research and Development, Science, Education, Telecommunications and Defense.

Current legislation is quite close to the EU's one in many sectors and domains. Israel adopts generally European standards, which are easier to understand than those of the US and in any case the latter do converge many times to European ones. The reform efforts to be done by Israeli legislators to implement at home the EU *acquis* would be worthwhile since, as indicated above, almost 40 percent of Israel's trade in goods and services is with the EU.

Economically as well, Israel has become in the last decade a post-industrialized country based on the development of high-tech and services, very much alike advanced EU countries. Demographically, large-scale immigration from the ex-Soviet Union has transformed Israel into a European-type society, much less culturally identified with Middle Eastern societies than only a decade ago.

And the EU and Israel share the same basic political values. In fact European values precede the creation of the EC and they have been feeding on many Jewish values, so the argument goes. Mr. Marco Panella, of the Italian Radical Party, has put it in graphic terms: Israel's incorporation in the EU could infect with democratic values all the Middle East. And, anyway, as Belgium's former Foreign Minister and nowadays a EU Commissioner Louis Michel said in a recent conference in Tel Aviv, Europe is not defined by its geography but by its values. Dominique Moisi, of the IFRI, in Paris, said already many years ago that the EU is defined by a 'geography of values', not by a physical geography. On the other hand Russia is geographically more in Europe than Turkey¹² but is not eligible to become a member country.

What is presented in this article does not imply that Israel must seek EU or even EEA membership. This must be sorted out by a political debate in Israel itself and the subject is not yet part of the national agenda. What this paper argues is that in a way Israel is in the midst of a spontaneous process of Europeanization. In other terms it is 'returning to Europe'.

Such a process (and not a project) would continue to ease the way to the approximation of Israeli Laws and standards to the EU *acquis*.

¹² Less than 5 percent of Turkey's territory is considered to be part of the European continent. This percentage is many times higher in the case of Russia.