

states and private investors have invested over \$2,000 billion in Western capital markets, and very little at home, because of the comparative advantages of security and return. Despite much talk of a specifically 'Islamic' approach to economics – to interest, banking or redistribution of wealth – the practices of Islamic states, companies and economies are determined by other considerations. Therefore, apart from the recognition of the diversity and transnational character of 'Islamic' discourses on international relations and on the inequalities involved in the global economy, it is questionable how far these discourses affect the practices of those concerned. In this context, discourse may obscure as much as it explains.

The Middle East may be different, but this difference is constituted and reproduced by the patterns of integration into the modern world. And this integration does not necessarily produce the consequences in politics, economics or culture that are seen in the region today. To assume that this is the case, that everything in the region is determined by external factors, is to deny the room for manoeuvre, the autonomy that Middle Eastern states and their opponents have in the international system. Here again a discursive legacy from pre-1990 times plays a negative role, for in the period of colonialism and Cold War, Middle Eastern states and other actors had a margin of manoeuvre, and used it. The Middle East was never so controlled, or manipulated, by external forces as it claimed. This applies even more in the period of globalization. Differential integration does not entail passivity or subordination. That it is interpreted in this way is a matter of choice. Like all ideology, it serves to obscure the very real choices and options that these states and their opponents confront.

3 The end of historical attachments: Britain's changing policy towards the Middle East

Rosemary Hollis

Globalization is transforming the shape of interstate relations, and the responses of the US and other governments to the events of 11 September do not signal a reversal in this trend so much as a reordering of priorities. Terrorism is now seen to have a global reach, with alienated fanatics angry about US power projection in the Middle East and venting their spleen on unsuspecting civilians in the US heartland. The reaction of the United States has been to declare a war on terrorism, starting in Afghanistan, and to re-examine its alliances and policies across the Middle East too.

For Britain the unfolding crisis has demonstrated just how much its influence has declined in the Middle East, a region where once it was a key player. In the wake of 11 September, British Prime Minister Tony Blair swept to the forefront of international diplomacy, positioning Britain 'shoulder to shoulder' with the United States and providing stirring rhetoric to elevate the war on terrorism to a more noble quest to eliminate poverty, prejudice and human rights abuses too. However, when Tony Blair ventured to the Middle East in autumn 2001 his personal style of diplomacy was hampered by his lack of first-hand connections with his counterparts in the region. Hitherto he had focused on building ties with the most prominent global power brokers, Presidents Clinton and Bush of the United States, as well as Russian President Putin and the leading statesmen of Europe. Blair's sense of priorities would seem to reflect the dictates of globalization, which require the British government to maximize Britain's leverage in the most important power arenas – namely, Washington, Brussels, the United Nations Security Council, the G-8, the World Trade Organization (WTO) and the North Atlantic Treaty Organization (NATO) – at the expense of bilateral and regional relations *per se*.

Globalization and foreign policy

Even though Blair's leadership style is presidential rather than collegial and his tendency is to use personal intervention to circumvent bureaucratic procedures when possible, he is nonetheless operating within an international environment characterized by globalization. This requires governments to deal with one another in the context of multilateral or supra-territorial fora and organizations, as well as through the traditional mechanisms of bilateral diplomacy. The external relations of states are as much about negotiating regional and global financial, environmental and trade regulations as about the pursuit of conventional foreign policy goals. The jury is still out on whether the United States, by virtue of its sole superpower status, can ignore the imperatives pushing other states to agree on common rules of conduct or will simply use its power to set the rules. In any case, the point to be emphasized here is that states in general are reorienting their foreign policy goals around issues as opposed to geographical regions and it is to be expected, therefore, that changes are taking place in the way states external to the Middle East deal with those in the region, and vice versa.

An examination of British policy-making with respect to the Middle East at the turn of the century reveals more change than continuity in comparison with previous decades. It is not that the British have set out deliberately to reformulate their policies towards the region but rather that British policy priorities increasingly lie elsewhere. Consequently, issues arising in the entire Middle East (from Morocco to Iran and Iraq to the Sudan) are by default addressed piecemeal and often through multilateral fora such as the European Union (EU), the UN Security Council and the WTO.

This development has been most apparent in the decade since the end of the Cold War. Also apparent has been the perplexity with which most governments in the Middle East have responded to the trend. An expectation has persisted that Britain will honour its perceived historical responsibilities dating from imperial times and help to resolve some of the region's enduring territorial, security and economic problems. Even if US involvement in the region draws the most attention today, the British are still held to blame for continuing problems over Palestine, Iraq and the islands dispute between the United Arab Emirates and Iran. British foreign policy may be moving away from traditional preoccupations with territorial security, but for the Middle East, disputes over territorial sovereignty are still at the forefront of government concerns.

The case of Britain and the Middle East (as broadly defined above) offers some interesting insights on the general subject of this volume.

Britain qualifies as a 'major European power with global interests and responsibilities',¹ and is therefore comparable with a number of other significant state actors. More importantly for present purposes, under its New Labour leadership Britain can be considered a strong advocate of the benefits of globalization. Its government bureaucracy has been reorganized in order to respond to the new policy imperatives attributed to globalization. By its own enthusiastic embrace of globalization, therefore, Britain suggests itself as a suitable case study for examining how the phenomenon may transform traditional foreign policy-making.

With respect to the Middle East, Britain ranks alongside France at the forefront of European states with leverage on policy-making towards the region in the principal supra-territorial arenas of the EU and the UN Security Council. Britain can also boast greater access to and potential leverage with the United States, the predominant external actor in the Middle East. Given Britain's voice in key circles and its historical legacy in the region, players there have greater expectations of the British than of most other external powers. This raises the question of how far Britain's response to the imperatives of globalization can explain its perceived failure to live up to those expectations.

The opposite side of this question, touched upon here, has to do with the impact of globalization on the states of the Middle East. As discussed in other chapters, the region has been globalized in terms of its extra-regional relations or interdependence with the global economy, but far less so in terms of intra-regional linkages and the progress of internal liberalization.² Add to this a sense of disappointment with what outside players can and will do for those who live in the region, and it could be that the experience of globalization is a predominantly negative one for the Middle East so far.

Britain in contemporary context

Before turning to British policy positions on Middle Eastern issues and how best to explain them, a few words are in order about Britain's standing and orientation in the context of globalization. As is discussed elsewhere in this volume, globalization has reduced the autonomy previously enjoyed by state actors, but it does not herald the demise of the state as a player on the global stage. Britain ranks among the privileged few countries which

¹ John Coles, *Making Foreign Policy* (London: John Murray, 2000), p. 180.

² Louise Fawcett and Yezid Sayigh, *The Third World Beyond the Cold War: Continuity and Change* (Oxford: Oxford University Press, 1999), pp. 207–8.

hold a seat at all the top tables where collective responses to the imperatives of globalization are devised. Its economy places it among not only the OECD countries but also the G-8. It is the largest overseas investor after the United States and, according to KPMG, it spent about \$130 billion in 1998 on acquiring foreign companies.³

Britain is one of the five permanent members (P-5) of the UN Security Council. Although still outside the Euro zone, it is a member of the EU and in the forefront of efforts to develop a European defence capability. A founder member of NATO, Britain has nuclear weapons in its arsenal, and its armed forces are unrivalled in western Europe. The British contingent in the Gulf War coalition that ousted Iraq from Kuwait in 1991 was second only to that of the United States. The United Kingdom is also one of the top three or four global arms exporters; and it is a net exporter of oil.

These assets are useful only in the context of the multilateral bodies that are determining the rules of the game in the new, post-Cold War global order. By itself Britain has limited power to act decisively in any arena. Even in conjunction with France and Italy, Britain could not mount the operations 'Poised Hammer' or 'Provide Comfort' in northern Iraq in 1991 without US engagement. Its submarine-based nuclear capability was put under review in 2000 after problems were detected with the missile platforms. At the end of 2001, as Britain prepared to send a contingent to Afghanistan as part of the International Security Assistance Force (Isaf), Chief of the Defence Staff Admiral Sir Michael Boyce warned against the dangers of over-committing British troops to more missions and theatres than they could handle simultaneously.⁴ Some of Britain's major companies, including those in the defence sector, are in the process of merging with their US and European counterparts. The success of British efforts to attract inward investment has brought with it the vulnerability of exposure to developments in the world economy, with many foreign companies that operate in the UK pressing for Britain to join the Euro and maximize their market access. Britain is the largest foreign investor in the United States, and hence its economic well-being is exposed to the fortunes of the US economy. The leading British companies today are themselves global operations.

Yet, judging by the pronouncements of ministers in the first and second New Labour governments, Britain's presence in various international fora is counted among its strengths, not its limitations. In his keynote foreign policy speech during the 2001 election campaign, Tony Blair said: 'Britain

³ *The Economist*, 23 January 1999, quoted in Coles, *Making Foreign Policy*, p. 112.

⁴ 'UK Strategic Choices Following the Strategic Defence Review and the 11th September', Annual Chief of Defence Staff Lecture by Admiral Sir Michael Boyce at the Royal United Services Institute, 10 December 2001.

still has enormous diplomatic assets in the world to bring to play... With our seat in the UN Security Council, our role in the G-7, our closeness to the US, our membership of the EU, our position in the Commonwealth, our trade links with Asia ... we still have huge diplomatic strengths.'⁵ Indeed, the prime minister has been one of the most enthusiastic advocates of globalization as the new panacea, full of promise and opportunity. On a trip to Latin America shortly after his re-election in 2001, Tony Blair devoted most of his speeches to singing the praises of economic liberalization and free trade. In other words he chose to focus on broad global concerns, not narrow issues of national interest. A new note entered his rhetoric after 11 September. Thereafter, Blair tempered his enthusiasm for economic liberalization with calls for more aid to the poorest countries and multi-lateral intervention to avert conflicts around the world, but if anything his theme became literally visionary on a global scale.

Peter Hain, Minister of State at the Foreign Office, has articulated his views on the implications of globalization for traditional foreign policy-making in a pamphlet entitled *The End of Foreign Policy?*⁶ In this he argues that new global imperatives require the current generation of world leaders to realign the way their own countries see their interests and to act collectively to combat climate change, poverty, social exclusion, disease, drug abuse and terrorism. Hain greets the increased influence of non-governmental organizations (NGOs) such as Oxfam, Save the Children, Greenpeace and Amnesty International as a signal for national governments to respond creatively and, where possible, by forming partnerships with these new actors.⁷

Bearing in mind that the British population's membership of NGOs far exceeds its membership of the traditional political parties, there is reason to believe that expectations of government are changing in Britain, as in other developed economies. According to one commentator writing in the American press about the 2001 British election:

Politics has become the business of managing government, and elections are increasingly like the annual general meetings of a big utility company. Some people saw this coming a while back. As early as July 1997 Mr Blair offered insight into his own thinking when justifying the use of focus groups to sample public opinion on specific policies: 'Suppose you're running a business like Marks and Spencer or Sainsbury's,' he

⁵ Andrew Parker, 'Blair set to give higher priority to foreign policy', *Financial Times*, 20 June 2001.

⁶ Peter Hain, *The End of Foreign Policy? British Interests, Global Linkages and Natural Limits* (London: Fabian Society, Green Alliance and RIIA, 2001).

⁷ *Ibid.*, p. 15.

told *The Independent*, 'you will be constantly trying to work out whether your customers are satisfied with the product they are getting.'⁸

Prior to the events of 11 September, there was little reason to expect Britain's New Labour governments to pay much attention to the Middle East in the name of maintaining voter confidence. Focus groups and polls have consistently shown that the electorate cares most about economic well-being, services and education. Beyond the domestic sphere, the imperatives of globalization have obliged the British government to concentrate on maximizing its leverage in key global fora that affect the economy, and these do not include the Middle East *per se*. By 2000 less than four per cent of total British exports were destined for the Middle East, against some eight per cent in the boom period of high oil revenues and capital expenditure. Defence sales remained an important component, with Saudi Arabia accounting for perhaps 15 per cent of UK defence sales and related work, or about £1.2 billion worth of business each year. Of the estimated £4.23 billion invested overseas by the British, only 0.3 per cent went to the Middle East, although Britain was the recipient of £2.27 billion of inward investment from the region.

After 11 September the requirement to protect the population from potential terrorist attacks has led the British government to introduce new measures to apprehend and detain terrorist suspects in coordination with other EU members, the United States and any other countries willing to cooperate. The fact that the attacks of 11 September were perpetrated by Arabs with grievances against the United States for its policies in the Middle East has prompted greater interest in that region as such. However, as Tony Blair discovered on his forays into the Arab world after 11 September, British diplomacy cannot by itself deliver very much in isolation from the United States. This being so, the British government is unlikely to see much political capital to be gained from seeking to raise its profile in the region and can be expected to continue focusing above all on trying to influence Washington's policies. Meanwhile, the imperatives of globalization have already left their mark on the British policy-making machinery.

⁸ Niall Ferguson, 'Now Comes (Yawn) a Big Conservative Victory in Britain', *International Herald Tribune*, 31 May 2001.

Reorientation of the policy-making machinery

Not only must the British Foreign Office work more closely than ever with other departments, as the lines are so blurred between what is domestic and what is foreign, but also the internal organization of the Foreign Office has had to change. According to John Cole, a former Permanent Under Secretary at the Foreign and Commonwealth Office:

In Whitehall the evolution has been considerable. When I became a diplomat in 1960, the most prestigious departments in the Foreign Office were the so-called geographical departments, those that dealt with specific areas of the world such as the Middle East or the Soviet Union. The great men (and they were nearly all men) were those who advised during the Arab-Israeli wars of 1967 and 1973 or who developed policy towards the Soviet world in the 1970s or who analysed events in China and their possible impact on Hong Kong. Today, reflecting interdependence and multilateralism, the largest departments, where the most ambitious and able want to work, are the 'functional' departments, those that deal not with a geographical area but with a subject or group of subjects, such as the two European Union departments dealing with external and internal EU affairs, the International Security Department, dealing among other things with NATO, and the United Nations Department.⁹

Notwithstanding this reorientation, Peter Hain has gone further and suggested that as informational links to overseas posts improve, 'there will be a case for dismantling the geographically oriented departments' in the Foreign Office.¹⁰ Instead the focus will be on strengthening the centre in order to use those posts 'to support cross-cutting objectives in areas such as the environment, conflict prevention and human rights'.

Under the first New Labour government there was reorganization at the Department of Trade and Industry (DTI) too. A body called British Trade International (BTI) was set up within the department in order to coordinate the trade promotion activities of the Foreign Office and the DTI. In line with the shift in foreign policy as outlined by Hain, less emphasis is being given commercially to regional markets than to sectoral opportunities. This is reflected in the reduction in the number of regional boards of leading business people appointed worldwide to advise on export policy and resource allocations. Under this system, the Middle East and Africa

⁹ Coles, *Making Foreign Policy*, p. 118.

¹⁰ Hain, *The End of Foreign Policy?*, p. 47.

have been lumped together as the responsibility of a single board, much to the consternation of some in the business sector who feel that the two regions do not have enough in common to benefit from a common strategy.

When Tony Blair formed his new cabinet after the June 2001 election, he appointed Baroness Symons as trade minister, with offices, staff and responsibilities at both the DTI and the Foreign Office. This was intended to end confusion and conflict between the two ministries over responsibility for trade.¹¹ The ability of the prime minister's office to deal with foreign policy issues was also enhanced: two senior diplomats were appointed as advisers instead of just one, as previously.¹² At the Foreign Office the replacement of Robin Cook by Jack Straw as foreign secretary was taken as a signal that Straw would be a more convincing advocate of joining the Euro zone, which was considered the major foreign policy issue facing Labour in its second term. Peter Hain was given the number two job, with responsibility for Europe, while the rest of the world was split between three parliamentary secretaries instead of being the responsibility of another junior minister. The changes were interpreted in the press as signalling greater priority for the trade and investment aspects of foreign policy, for special provision for handling the expected Euro debate and for enhancing the prime minister's leadership on foreign policy delivery.

End of an era

As implied by the changes described, the trend has been for British dealings with the Middle East to be filtered through the prism of multilateral organizations and take second place to the government's preoccupations with responding to global economic, security and environmental agendas. To emphasize the point being made here, it could even be argued that the end of the 1990s was the end of an era in British policy towards the Middle East.

During the twentieth century, it became the norm to define British policy towards different parts of the world by first enumerating British interests in the region concerned and then examining how these were being pursued through diplomacy, commerce, finance and military strategy. It also became the norm, certainly in the Middle East, to have a British government view on which developments in the region should be encouraged, and which discouraged or counteracted. In other words there was a British view on what was 'good' for the region and what was definitely not.

¹¹ Robert Shrimmsley and Rosemary Bennett, 'Symons' appointment ends battle over trade brief', *Financial Times*, 13 June 2001.

¹² Andrew Parker, *Financial Times*, 20 June 2001.

Two documents reveal how British thinking about the Middle East was to take shape during the last century. One was the address made by Lord Curzon, Viceroy of India, at Sharjah in 1903, which was described by the India Office in 1905 as follows: 'He [Curzon] had evolved a new and original conception of the Gulf as forming in itself a complete and distinct political entity; this idea, latent rather than expressed, dominated his own policy in the Gulf region and may now be regarded as having entered the domain of established political principle.'¹³

The second document was the de Bunsen Committee Report,¹⁴ drawn up by an interdepartmental committee created in 1915 to formulate objectives for the aftermath of the First World War and the anticipated collapse of the Ottoman Empire. In summary, the committee designated the following goals for British policy:

1. Recognition and consolidation of Britain's position in the Gulf;
2. Prevention of discrimination against Britain's trade by Turkey, the continuance of trading links with the area and/or acquisition of compensation for discontinuation of such trade;
3. Fulfilment of pledges given to the rulers of Kuwait and Najd and the maintenance of assurances given to other Arab leaders;
4. Protection of projects in which Britain held an interest, including oil and water developments;
5. Consideration of Mesopotamia as a possible area for Indian colonization;
6. Security of communications in the Mediterranean, with minimum increase in naval and military expenditure;
7. Maintenance of the independence of and freedom of worship in religious shrines;
8. A satisfactory solution to the Armenian problem; and
9. A satisfactory solution to the question of Palestine (i.e. one in which Britain would retain control of the Suez approaches).

Obviously, by the end of the twentieth century not only was the vision much less grand, but the terms of discourse had changed fundamentally too. Foreign Office ministers are now more likely to talk about Britain's position on events and issues arising in the region than to itemize Britain's interests in the region as a whole as a prelude to articulating policy. It is more common as well to find a defence minister approaching the issues

¹³ India Office, 'Summary of the Principal Events and Measures of the Viceroyalty of Lord Curzon' (1905), Part I, Chapter 4.

¹⁴ See FCO, Foreign Policy Document No. 36, 'Jordan and Palestine 1914-1920'.

that way. Even so, the emphasis is likely to be on Britain's contribution to multilateral endeavours. As John Reid, then the armed forces minister, said in a speech at the Royal United Services Institute in 1998:

Of course our interests do not extend equally everywhere. Europe and NATO must be a priority. Beyond Europe, we believe that our interests are most likely to be directly affected by events in the Gulf, the Near East and North Africa. This does not mean that the [Strategic Defence] Review will lead to our re-creating a military capability 'East of Suez'. That would be a retrograde step. But it does mean that the Review has confirmed the importance of the Gulf region in British economic interests, the value of our bilateral ties with Gulf states and the importance of our wider UN responsibilities in the Gulf area. We must therefore be ready to respond, in combination with others, to support stability when it is threatened in the Gulf.¹⁵

More tellingly, George Robertson, then the defence secretary, said on the same occasion: 'The United States is of course central, both to underpinning Gulf security and to reinvigorating the Middle East Peace Process. But I believe that the United Kingdom also has a worthwhile role to play, both in its own right and as a trusted ally of the United States, an ally that is able to make a distinctive contribution to the formulation of policy in Washington.'¹⁶ In other words, if the crucial decisions are being made in Washington, better to concentrate on developing leverage there than on trying to go it alone. A case can easily be made for including Washington in the list of supra-territorial arenas in which Britain seeks to exercise leverage today. As the sole superpower, and therefore almost by definition the biggest winner from globalization, the United States is more than just another state actor. Access and leverage in Washington is a necessary foreign policy goal for most other governments, not least those in the Middle East. And Britain has worked harder than most to preserve what influence it has there.

Since 11 September the ramifications of Britain's focus on Washington have become more apparent. The British prime minister excelled in the competition to demonstrate solidarity with the United States in the face of the terrorist attacks, winning him the unique honour of addressing a joint session of both Houses of the US Congress, which accorded him a standing ovation.

¹⁵ John Reid, 'Gulf Security: UK Policy and Implications for the Strategic Defence Review', in Emirates Center for Strategic Studies and Research, *The Gulf: Future Security and British Policy* (Abu Dhabi: ECSSR, 2000), p. 10.

¹⁶ George Robertson, *Welcome Address* in *ibid.*, p. 7.

However, when it came to influencing the prosecution of the war in Afghanistan, the United States heard but did not necessarily heed British and other allied entreaties to use allied troops to help bring in humanitarian aid, and US commanders preferred to do without even British military assistance in the interests of maintaining full control of the operation.¹⁷ By December 2001 British Chief of the Defence Staff Admiral Boyce was warning:

Both the UK and United States wish to promote regional stability, but our perspectives of global and regional stability have been distorted by the focus on fighting terrorism. We have to consider whether we wish to follow the United States' single minded aim to finish Osama Bin Laden and Al-Qaeda; and/or to involve ourselves in creating the conditions for nation-building or reconstruction as well... Altogether, that there will be some slight difference in emphasis in the approach between the United States and UK is clear – but with a previously isolated single super power background and a global capability, the United States has less need of consensus than we do.¹⁸

In the 1990s Britain moved away from pursuing a coherent regional strategy in the Middle East simply because globalization dictated new foreign policy imperatives which took precedence. After 11 September the imperative of keeping on-side with Washington looked destined to draw Britain into dealing with the Middle East more and more through the prism of its alliance with the United States.

The Middle East and Britain's historical baggage

Britain's 'moment in the Middle East' is long since over.¹⁹ That 'moment' had its beginnings in the nineteenth century when ties were forged with Iran, the Arab sheikhdoms of the Gulf and Aden, took off in 1914 and concluded in 1971 when British forces were withdrawn from 'East of Suez'. In between, of course, Britain exercised imperial dominance in Egypt and Sudan for several decades; made conflicting promises to Sherif Hussein of Mecca (the Hussein-McMahon correspondence), to the Jewish community seeking to establish a 'homeland' in Palestine (the Balfour Declaration)

¹⁷ Ewen MacAskill, Richard Norton-Taylor, Julian Borger and Ian Black, 'Clouds hang over special relationship', *Guardian*, 9 November 2001.

¹⁸ Admiral Sir Michael Boyce, *UK Strategic Choices*.

¹⁹ As described in Elizabeth Monroe's book of that name, *Britain's Moment in the Middle East: 1914-71* (London: Chatto & Windus, 1981).

and to the French (the Sykes-Picot Agreement); established and relinquished the League of Nations mandates in Palestine and Iraq; suffered the débâcle at Suez in 1956; retreated from Aden; and finally negotiated its way out of the sheikhdoms of the Gulf.

Given this record it is perhaps surprising that governments in the Middle East still seek British engagement in the region. In fact, Britain's history there is relevant to today in two important respects: first, in terms of regional perceptions of Britain's responsibility for sowing the seeds of land and border disputes which endure to this day, most notably in Palestine but also with respect to the Iraq-Kuwait border and the islands dispute between the UAE and Iran; and, second, in terms of personal relationships, sustained over generations, between British individuals and members of the elite across the region. It is these factors that underlie expectations in the Middle East that Britain could and should do more about the region. Meanwhile, given Britain's role in key global organizations such as the UN Security Council and the EU, and its assumed influence in Washington, it is expected to use this access to highlight Middle Eastern concerns, if not to lobby for those who count themselves among its friends and allies in the region.

As it is, with some notable exceptions Britain under New Labour has been less visible than France in international diplomacy concerning the Middle East. British diplomats will argue that it is more effective through quiet diplomacy, behind the scenes. Even if that is true with respect to the Arab-Israeli conflict, Britain's diplomacy in the Gulf has been so quiet as to be near invisible at times, except for its contentious stance on Iraq. Arab governments in the Gulf have expressed disappointment with what they see as British sycophancy towards Washington and a failure to show more unilateral interest in their individual concerns. For example, for the duration of the first New Labour government, a number of Arab Gulf governments sought in vain to encourage British ministers to visit their countries and include the region more often in their travel itineraries. When Tony Blair did go to the region in the aftermath of 11 September, his initial attempt to include Saudi Arabia in his itinerary failed on the grounds that more diplomatic preparation was needed.

During the first Labour term Iran received no visit at foreign minister level, Robin Cook having postponed plans to go to the Islamic Republic twice before losing office. Cook's successor Jack Straw, however, did make the journey to Tehran twice in rapid succession, in the wake of 11 September and the war in Afghanistan. In North Africa, the governments would have liked to see Britain and other northern Europeans take more interest in the implications for them of the EU-Mediterranean Partnership Initiative, or Barcelona process. Cook's efforts to resolve the issue of

Libya's role in the Lockerbie bombing was considered a breakthrough, although serious problems remained because of the conviction of one of the Libyans accused in the case. Meanwhile, the Libyans continued to live in hope of a British ministerial visit to boost business relations.

Robin Cook did make a couple of well-publicized trips to Israel and its neighbours, but on the first occasion he had the thankless task of conveying EU disapproval of Israel's settlement policy to the government of Binyamin Netanyahu. He suffered the indignity of having the Israeli prime minister cancel dinner with him for his pains. He subsequently made light of the episode as beneficial for his waistline, but he was reportedly sufficiently bruised not to want to rush back into the cauldron of Arab-Israeli relations. On the second occasion the foreign secretary tried to mediate between the Palestinians and the Israelis shortly after the outbreak of the intifada in autumn 2000, but he arrived on the heels of several other international figures and met with no greater success. The visit of Jack Straw to Israel, straight after his first trip to Iran in October 2001, was almost as ill-fated as Cook's first foray there. Israeli Prime Minister Ariel Sharon had to be persuaded by a phone call from Tony Blair not to shun the foreign secretary for remarks he had made about Palestine during his time in Iran.

In trying to piece together Britain's stance at the United Nations and in the European Union on the unfolding Israeli-Palestinian conflict, its posture on Iraq and its engagements with both Iran and Libya, many are at a loss to discern a coherent region-wide policy towards the Middle East. That, however, is precisely the point at issue. At the highest level, policy is organized around not regions but issues that come up in multilateral fora or have a bearing on Britain's relations with Washington and the EU.

Britain and the Middle East peace process

Britain does not approach peace-making in the Arab-Israeli context as another chapter in its historical involvement in the region. Rather, it seeks to bolster and support whatever process seems most likely to resolve the conflict. Since the mid-1990s, that has meant supporting the Oslo process and accepting US custodianship of that process, and thereafter calling for implementation of the Mitchell Report, again under Washington's tutelage. The approach has not meant promoting the role of the United Nations and UN resolutions, except possibly in the case of Lebanon. Until Israel's unilateral withdrawal from Lebanon in 2000, Britain adhered to the European position that Israel was obliged to leave, with or without negotiations, as stipulated under UN Resolution 425.

As of the Madrid Conference of 1991, Europe was given a strictly limited role in Middle Eastern peace-making by the United States. Britain enjoyed no better access than other Europeans to what was going on in the early days of the Washington negotiations. For a time this was cause for irritation in Europe, and attempts were made to forge a key role for the Regional Economic Development Working Group (REDWG), the multi-lateral working group under EU stewardship, to circumvent Europe's exclusion from the bilateral talks. However, having gained some momentum after the Oslo accords of 1993, the multilateral track begun at Madrid ran out of steam in the face of subsequent stalemate in the bilateral negotiations.

Meanwhile, in 1995 the EU launched its Mediterranean Partnership Initiative, to build a free market in the Mediterranean, and for a time this operated almost in competition with the US-sponsored MENA (Middle East-North Africa) initiative to convene regional economic summits. The Euro-Mediterranean process proved the more enduring, because of its detachment from the peace process, but, as was demonstrated at a tempestuous meeting in Marseilles in 2000, it too can become caught up in the Arab-Israeli confrontation. In any case, not even the Egyptian and Jordanian governments, which are supposed to be at peace with Israel, have been willing to meet Israelis in official fora if they can avoid it since the intensification of the Israeli-Palestinian conflict.

The pattern that emerged in the 1990s in EU policy towards the peace process was for Brussels to support the US-brokered negotiations when these were going well and to make noises and political gestures from the sidelines when they faltered. There was a particularly interesting episode in US-European diplomacy in the Middle East over the 4 May issue of 1999, when the Palestinians were threatening to declare statehood unilaterally. The EU went further than the United States felt able to then in supporting the goal of a Palestinian state, in order to dissuade the Palestinian leadership from making the declaration at that time. But in doing so Brussels had Washington's blessing and encouragement.

By 1999, in fact, the EU was working in close coordination with the United States on promoting the Oslo formula for peace. The prevailing logic was that Washington was best placed to influence Israel and that without such influence no deal could be done. Europe therefore accepted the primary role of funding the Palestinian Authority and encouraging it to embrace the principles of good governance, confident in the view that with the victory of Ehud Barak in the Israeli election of 1999, the Oslo process would eventually produce a final status agreement between the parties. Britain operated comfortably within this EU-US coordinated approach, so, basically, did France.

Britain's policy may best be characterized as balancing its role in the EU with its 'special relationship' with the United States. It contributed to EU policy-making on the Middle East in such a way as it calculated would mesh best with US efforts at peace-making. However, under Tony Blair's premiership Britain has occasionally gone further and tried to contribute from the sidelines unilaterally. In some respects this is no different from the policies of a number of other European states, including Norway, as well as Canada and Japan, which have each chosen to reinforce a specific aspect of the peace process. In Britain's case, funds from the Department of International Development have been channelled into efforts to improve accountability and efficiency within the Palestinian Authority, and the Adam Smith Institute was brought in to advise on financial matters.

More curious, however, has been the role of Tony Blair's special envoy Lord Levy in regional diplomacy. The most plausible explanation for this could be pure serendipity. Lord Levy has generated funds for both the British and the Israeli Labour parties. He is a personal friend of the British prime minister, and his son worked for the Labour government of Ehud Barak in Israel. Consequently, he could be a trusted emissary; and if he could contribute to peace, so much the better. His principal contribution seems to have been in trying to promote negotiations between Israel and Syria. But although he may retain the ear of the British prime minister, he has had less access in Israel since the replacement of Ehud Barak by Ariel Sharon as leader.

According to Peter Hain when he was briefly in charge of the Middle East at the Foreign Office, British policy on the Arab-Israeli conflict aimed to take account of the situation on the ground and work pragmatically for a solution, as opposed to pronouncing on what should or should not happen. This sounds like traditional British pragmatism rather than the pursuit of high principle, but it also sounds more like the American position than the French one. Since the outbreak of the Palestinian intifada Britain has echoed the concerns of its European and American allies on Israel's use of force, but has never taken the lead in criticizing Israel.

Certainly, the British have sought to improve their access in Israel and to overcome Israeli perceptions of the Foreign Office as pro-Arab. According to Arab diplomats, that strategy has worked, and the British are now perceived as more sympathetic to Israel than ever before. Meanwhile, according to Brussels bureaucrats, Britain has shifted its position within the EU. It had, until autumn 2000, played the role of bridge-maker between the positions of Israel's staunchest supporters, Germany and the Netherlands, on the one hand, and the pro-Arab camp, frequently championed by the French, on the other. Of late, however, it has been more likely to side with the former and/or echo the US position.

In October 2001 Tony Blair tried his hand at direct intervention in the Arab-Israeli maelstrom and was left rather bruised for his pains. While making the first visit of a British prime minister to Syria he received a public rebuke from the Syrian President who criticized the war in Afghanistan, lamented the loss of civilian life there and refused to equate Palestinians and others resisting Israeli occupation with terrorists.²⁰ He did make it to Saudi Arabia on this occasion, but little was said publicly about his conversations there, except that he had failed to win Saudi backing for the Afghan campaign. He also visited Israel and the Palestinians, and reportedly took the message to Washington thereafter that more had to be done to quell the Israeli-Palestinian conflict. It was shortly after this, and following calls from Secretary of State Colin Powell for the establishment of a Palestinian state alongside Israel as the formula for peace, that Tony Blair himself pronounced on the need for 'a viable Palestinian state'.²¹ This marked a significant development in Britain's public position; however, nothing was to come of it. The US initiative to push more vigorously for a ceasefire, led by retired General Anthony Zinni, crumbled in a spate of Palestinian suicide bombings in Jerusalem and Haifa, followed by Israeli military retaliation which trapped Palestinian leader Yasser Arafat in Ramallah. Thereafter attention shifted to the survivability of the Palestinian leader and Britain was instrumental in pushing for an EU statement requiring Arafat to rein in the military wings of Hamas and Islamic Jihad, as called for by Washington.²²

Overall, British policy of late looks designed to make sure that London has the ear of Israelis as well as Arabs, in the name of being even-handed. The potential drawback in this strategy is that in the Arab world generally, Britain is increasingly perceived as a lackey of the United States – a perception fuelled by its policy on Iraq. In fact, when it comes to the Gulf Britain is not in Washington's pocket, even on Iraq, but it could be paying a price for that perception while gaining little benefit from the support it has given the United States.

Britain and Iran

Britain's assessment of Iran, in common with other European states, is that it is too important to ignore. The Islamic Republic has the potential to be a

very important and sizeable market, and could become integrated into the global economy. Obviously, Iran is energy-rich and has sought to attract inward investment from foreign energy companies. The fact that Britain's view of Iran is at one with other European countries has facilitated policy coordination within the EU towards Tehran. For their part the Iranians have courted the Europeans, partly in order to counteract US efforts to isolate the Islamic Republic.

During the pre-Khatami period, as the United States hardened its position by way of 'dual containment', it was highly critical of European dealings with Iran. Up to a point the EU, and Britain in particular, had to keep demonstrating to Washington that its 'critical dialogue' was a better approach than 'containment' and isolation. Its efforts evoked criticism from Iran that it was simply pushing the US agenda by other means.

However, America's Iran-Libya Sanctions Act (ILSA) of 1996 caused a furore in Europe, with Britain its most outspoken critic. This act set out to punish foreign companies for pursuing their own interests in Iran; it was unacceptable on principle as far as the British were concerned. Britain was at the forefront of lobbying efforts in Washington against ILSA. The act contravened the free trade philosophy that Britain advocates and upholds and that it counts as one of its shared interests with the United States. In the end, the act could not be implemented, because of European resistance and defiance. Even so, British companies with significant investments, partners and subsidiaries in the United States were for a time deterred from openly defying ILSA. No doubt this was one of the reasons why the British government was so opposed to the act and saw it as a dangerous precedent.

In terms of bilateral British-Iranian relations, it was Robin Cook who oversaw resolution of the problem of the fatwa issued against British author Salman Rushdie in 1989 for his book *The Satanic Verses*. The breakthrough came during the visit of President Khatami of Iran to New York for the opening of the UN General Assembly in September 1998. After talks with the British delegation, President Khatami declared that Iran regarded the affair as 'completely finished', and Foreign Minister Kharrazi told his British counterpart that 'Iran has no intention, nor is it going to take any action whatsoever to threaten the life of the author of *The Satanic Verses*, or anybody associated with his work, nor will it encourage or assist anybody to do so.'²³ Britain could now restore full diplomatic relations with Iran, and in April 1999 London and Tehran agreed on an exchange of ambassadors.

²⁰ Andrew Parker, 'Assad tells Blair that Arab anger is growing', *Financial Times*, 1 November 2001.

²¹ Brian Groom, 'Blair says the time is right to tackle global problems', *Financial Times*, 13 November 2001.

²² Judy Dempsey, 'US pressure on EU over Mideast resolution', *Financial Times*, 17 December 2001.

²³ Adam Tarock, 'Iran-Western Europe: Relations on the Mend', *British Journal of Middle Eastern Studies*, Vol. 26, No. 1, May 1999, p. 60.

Even so, British–Iranian relations remain troubled from time to time by residual Iranian suspicions, dating from imperial times, of British intentions. Thus in autumn 1999, media reports in Iran claimed that the British were so jealous of Iran's improved ties with other European countries that they were determined to give a negative spin to domestic events in Iran. The object of Iranian concern was the BBC's Persian Service, which had given less than favourable coverage to the handling of student unrest by members of the Iranian security forces in summer 1999. Subsequently, plans for Kharrazi to visit London in January 2000 were nearly derailed when the new year's issue of the London *Times* republished the obituaries of famous people of the twentieth century. An extract from the one on Ayatollah Khomeini was deeply offensive, and it took a formal statement of regret from the British ambassador in Tehran to defuse the crisis.

As mentioned previously, Robin Cook never returned Kharrazi's visit to London. It was Cook who first postponed his trip to Tehran, perhaps because it would have coincided with the trial verdict on 13 Iranian Jews accused of spying for Israel (this was denied as a reason by the Foreign Office). Then, when the trip was rescheduled for autumn 2000, it was the Iranians who asked for a postponement, and thereafter both British and Iranian elections have been cited as the causes for further delays.

In any case, British policy on Iran under the first New Labour government may best be explained as the outcome of Foreign Secretary Robin Cook's interest in making a mark where he could. As noted, it is to him personally that the breakthroughs with Libya and Iran are attributed. Meanwhile, in both cases there were strong commercial reasons for improving relations, not least in the energy sector. In both cases, too, British policy was depicted as smoothing the way for Washington to overcome its antipathy to at least two of the various countries it had labelled as 'rogue states' in the mid-1990s. That said, the British government was apparently happy to give British business a chance to get in ahead of the Americans, in the expectation that they would follow in due course.

British attention to Iran, for its own sake and irrespective of US policy, could be considered to have proved its worth in the wake of 11 September. The visits of Jack Straw to Tehran were clearly designed to sound out Iranian views on Afghanistan, the Taliban regime there and the war which was to topple them. It is to be assumed that this line of communication contributed to gaining Iranian acquiescence if not cooperation in the campaign.

However, Britain has become tainted by association with the United States, at least in Iranian eyes. At the beginning of 2002 Tehran delayed approval of Britain's nominee for its new ambassador to Iran, David Reddaway, and in February he was turned down. Iran's claims about his

unsuitability could not be substantiated, fuelling the view that Britain was being punished for new accusations directed at Iran by the Bush administration in Washington.

Relations with the Gulf Arab states

Commercial competition between Britain, other Europeans and the United States in the Gulf Cooperation Council (GCC) states has been fierce since the oil boom of the 1970s. In fact, it is not unusual for US and British defence companies to talk of each other as 'the enemy' when it comes to their dealings with the GCC states, especially in the lower Gulf. At the beginning of the twenty-first century, however, the Gulf states feature less prominently in the British government's export promotion policy. This may be attributed to perceptions that the defence market has peaked, and in general the perception prevails that opportunities are more limited than they were. The exception, of course, is in the energy sector, where British companies are as eager as their competitors to invest where they can, but it is for the Gulf oil producers to decide what is on offer to the companies.

Meanwhile, when it comes to British security cooperation with the Gulf states the driver of British policy has been the Ministry of Defence rather than the Foreign Office or the DTI. As indicated in the statements of defence ministers quoted above, care is taken to honour commitments made to Gulf governments. As a demonstration of this, British forces conducted a major joint forces exercise with their Omani counterparts in the sultanate in autumn 2001. That exercise was planned well in advance of 11 September and went ahead irrespective of the build-up of US forces that ensued in the Indian Ocean in preparation for the war in Afghanistan. However, British forces were on hand in the region, as a result of the exercise, to assist with the US war in so far as they were called upon.

As has been mentioned, the British prime minister was to make his first visit to Saudi Arabia in the wake of 11 September, in a mission designed to sound out Saudi reactions to the crisis. It was further assumed at the time that he wanted to solicit the Saudis' support for the war in Afghanistan and learned of their reluctance. Since then, however, the US–Saudi relationship has taken on a new complexion, as the US administration pressures the Saudi government to pursue local funders and supporters of Osama Bin Laden. It is to be expected that British companies, not least in the defence sector, will seek to distance themselves from such US pressure and this may raise some interesting dilemmas at the political level, where British policy has become more closely aligned with that of Washington.

