

## SWITZERLAND'S CONTROVERSIAL MIDDLE EAST POLICY

Switzerland pursues an ambitious Middle East policy that differs from US and EU policies in major ways. This has given rise to controversies lately. There are good reasons for the Swiss to pursue a conflict resolution strategy based on mediation and dialog with Iran and militant Islamist organizations. However, the Swiss niche strategy is characterized by some tensions and lack of coherence. The question is to what extent Switzerland, as a Western state, can and should be building bridges between the Muslim world and the West.



Swiss Foreign Minister Calmy-Rey with her Iranian colleague Mottaki in Tehran, 17 March 2008

The Middle East has become a major field of activity for Swiss foreign policy in recent years. There are good reasons for this. The region is the epicenter of many contemporary security-policy challenges. In terms of energy security, too, its importance is increasing due to its oil and gas reserves. Although economically, the region has hitherto been of secondary interest to Swiss foreign trade, the Gulf monarchies in particular are interesting growth markets.

Switzerland's current Middle East policy is characterized by two major features. First, it is remarkably active. Switzerland has repeatedly attempted to mediate both in the Arab-Israeli conflict and in the controversy involving Iran. Secondly, Switzerland's policy in the Middle East is distinctly autonomous. Since the Iraq War, the EU has gradually moved towards the US-Israeli policy of isolating unpopular regimes and militant Islamist movements, not least because it is determined to prevent another transatlantic split. The US and its allies are imposing preconditions for diplomatic

and, to some extent, economic contacts with actors such as Iran and Hamas, and they are banking on the formation of a pro-Western alliance in the Middle East. By contrast, Switzerland has consistently followed a policy of engagement. It does so based on the three foreign-policy principles of neutrality, universality, and recognition of states rather than of governments.

Switzerland has been severely criticized recently for its ambitious niche strategy in the Middle East. In addition to the controversy over its willingness to speak to and even conclude energy agreements with "terrorists" and Holocaust deniers, it also faces the accusation that its engagement for humanitarian international law is disproportionately critical of Israel. At the domestic level, there is further controversy over whether an active Middle East policy is compatible with Swiss neutrality.

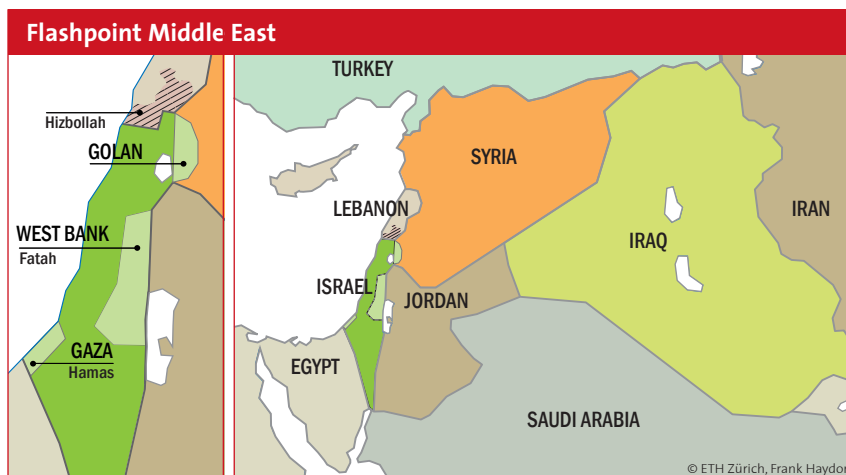
An analysis of Switzerland's policy in the Middle East indicates that its trajectory is certainly by and large in line with Swiss inter-

ests. Action is required, however, in handling the multiple areas of tension that can currently be discerned in Switzerland's activities.

### Dialog with Hamas

The quest for peace in the Israeli-Palestinian conflict is dominated by the US and the Middle East Quartet (the US, the EU, the UN, and Russia). On the diplomatic stage, therefore, Switzerland only plays a minor role in the peace process, even though it promotes an occasionally pronounced position of its own concerning the two-state solution. The Geneva Initiative of 2003 has, however, allowed Switzerland to support former Israeli and Palestinian negotiators in elaborating an important model peace agreement, which is the first to offer a total package of detailed proposals to resolve all outstanding issues, thus constituting a useful complement to the process-oriented Road Map of the Quartet and the peace plan of the Arab League. Even though then-Israeli prime minister Ariel Sharon criticized the Geneva Initiative because it contains breaches of taboos and because he received insufficient advance information by Switzerland, the ideas it contains are acknowledged today by key Israeli and Palestinian decision-makers as a significant basis for discussion and can be expected to play an important role in the Annapolis peace process.

The controversial element of the Swiss position on the Middle East conflict is its policy vis-à-vis Hamas. This national extremist Sunni Muslim organization won the spring 2006 elections in Palestine. Although Hamas, by participating in the political process, hinted at initial steps of transforma-



tion from an armed resistance movement to a political party, it was unwilling and unable to engage with the demands of the Quartet for a rejection of violence and for acknowledgement of Israel's right to exist and of the treaties with Israel signed by the PLO. The US and the EU, which list Hamas as a terrorist organization, reacted with a political and financial boycott of the group. Since the collapse of the Palestinian unity government in June 2007, they have been trying to weaken the domestic support for Hamas, which today controls the Gaza Strip, by giving comprehensive support to Palestinian President Mahmoud Abbas and the secular Fatah government that rules in the West Bank.

Switzerland is the only Western state that has never joined in isolating Hamas. Instead, the Swiss special ambassador to the Middle East tried, after the Hamas election victory, to engage the movement in dialog with the aim of encouraging them towards moderation. The resulting paper on a long-term *hudna* (truce) lost its significance after being leaked, and after the US, the EU, and Israel pushed for polarization within the Palestinian camp following the dissolution of the unity government.

Since the blockade of the Gaza Strip led to a humanitarian catastrophe and radicalization rather than to a decisive weakening of Hamas, the Swiss inclusion strategy has gained support in recent months. France has admitted that it talks to Hamas, and even Israel, which initially criticized the Swiss approach, has in the meantime established contact with the Islamist movement. Should the Annapolis peace process continue to be unsuccessful, the idea of a *hudna* may also gain new attention. However, Switzerland will hardly be able to build bridges between the Islamists and Israel for the foreseeable future, due to

Israeli irritation with the Swiss gas deal with Iran (see below).

**Mediation in Lebanon and Syria**

Like in the case of Hamas, Switzerland's approach towards the Shi'ite extremist Hizbollah group, which operates in Lebanon and Syria, is based on inclusion. The Swiss government has repeatedly invited representatives of all important Lebanese groups to a process of dialog in Switzerland. The esteem in which these efforts are held in Lebanon can be measured by the fact that the Swiss special ambassador was invited to the ceremony on the occasion of the election of the new Lebanese president at the end of May 2008. Compared to its policy vis-à-vis Hamas, Switzerland's mediation services in Lebanon are less controversial, especially considering that the EU has no Lebanese policy of its own and, unlike the US, has not included Hizbollah on its list of terrorist organizations. Since the latest power-sharing agreement between the Lebanese government and Hizbollah, mediated by Arab states, will not be sufficient to dispel the controversies that lie at the heart of the Lebanon conflict, the Swiss dialog platform can be expected to remain important.

Switzerland also made an important mediation contribution in the Israeli-Syrian conflict when its special ambassador moderated secret talks between representatives close to the governments of both sides in Berne in 2005–2006. The resulting non-paper will serve as an important basis for the peace talks that were announced in May 2008. However, Switzerland disbarred itself as a potential negotiator in the imminent talks by publicly confirming Israeli media reports on the existence of the secret talks at the beginning of 2007. While

the Swiss foreign minister was likely motivated by the need for domestic vindication of her Middle East policy, the reaction in Damascus and, to a lesser extent, Jerusalem was one of irritation.

**Israel and humanitarian international law**

The Swiss Foreign Ministry's engagement on behalf of upholding international humanitarian law in the Arab-Israeli conflict is a source of latent tension with its mediation policy. While most statements by the Foreign Ministry, when considered dispassionately, are much less one-sided in their criticism of Israel than is often suggested, there are indeed negative repercussions for Switzerland's mediation services from statements such as the one made during the 2006 Lebanon conflict "condemning" Israel for its "disproportionate reaction" to Hizbollah's encroachment. The irritation caused in Jerusalem by such wording jeopardizes the Swiss position as an independent mediator. At the same time, such declarations weaken domestic support for Switzerland's Middle East policy, since they provoke unproductive debates on neutrality.

The same effect can be observed in the case of Swiss support for statements in the UN Human Rights Council that are critical of Israel. Here, Switzerland tries to depoliticize the council by acting as a broker between the anti-Israeli resolutions of Muslim countries and the uncompromising defensive stance of the EU and the US. Similarly as in the case of Hamas, it seeks by dialog to encourage the authors of the resolutions towards more even-handed rephrasing of their drafts. After the Muslim countries had agreed to include a passage on cessation of Palestinian missile attacks in a March 2008 resolution, Switzerland honored that move by supporting the resolution, while the EU states shifted from rejection to abstention. However, since the resolution remained biased against Israel, the Swiss Foreign Ministry came under a lot of criticism both from Israel and domestically.

**Swiss policy towards Iran**

Tensions can also be observed in Switzerland's policy vis-à-vis Iran. First of all, it should be noted that Switzerland also provides constructive mediation services in this field. Its activities are based on the fact that it has represented US diplomatic interests in Iran since 1980. The resultant function as a go-between gives Switzerland access to the corridors of power in Washington and Tehran. Switzerland has

used this unique position several times for mediation efforts, signaling clearly each time when it was operating outside of its protective power mandate.

Immediately after the overthrow of Saddam Hussein in 2003, the Swiss ambassador in Tehran, together with representatives of the Iranian government (which was under pressure from the US), worked out a Road Map that was to serve as the foundation for comprehensive negotiations to resolve the US-Iranian conflict. However, the Bush administration was confident of victory at the time and refused to engage with the so-called Guldemann Memorandum, and is today being subjected to much domestic criticism as a result.

In the controversy over Iran's nuclear program, Switzerland remained largely passive during the first phase from 2003–2005, which was characterized by efforts of the EU-3 (France, Britain, and Germany) to achieve a negotiated settlement. While the EU was qualifying its traditional approach of engagement towards Iran by freezing the Comprehensive Dialog, the human rights dialog, and talks on a trade agreement, the Swiss Federal Council strengthened its relations with Iran by initiating a dialog on human rights and migration. But Switzerland only took on the role of an active mediator when the controversy grew sharper and the EU-3 and the US, together with China and Russia, agreed on UN sanctions and a series of conditions for further negotiations with Iran. As in the case of Hamas' isolation, Switzerland again considered the approach of viewing diplomacy as a concession rather than as an instrument of conflict resolution to be counterproductive. It is also likely that Switzerland was prompted towards more active engagement by the fact that the divergence of interests so far has impeded the Six from acting effectively and coming up with proposals that could be of real interest to Iran.

The Swiss mediation proposal aims at encouraging Iran and the Six through mutual concessions and confidence-building measures to resume the negotiation process. The "Swiss Paper" is also likely to include some substantial impulses towards resolving the nuclear crisis. However, despite intense shuttle diplomacy, Switzerland has not managed to contribute to a de-escalation of the conflict. It should be noted, though, that criticism of the Swiss efforts has been minimal, and that at least some of the Europeans and Iran seem to appreciate them.

### Repercussions of the gas deal

Controversy over Swiss policies towards Iran has been fuelled not so much by the mediation services as by the gas deal concluded between Tehran and Swiss energy company EGL (Elektrizitäts-Gesellschaft Laufenburg AG), with support from the Swiss Foreign Ministry. In terms of energy policy, getting gas from Iran, should it ever be delivered, is certainly in line with the interest of Switzerland and the EU in securing supplies. If other European companies have attempted to reach similar agreements with Iran, there are most likely two reasons why EGL was awarded the first contract. First, it is probable that EU governments have prevented their energy companies from advancing beyond declarations of intent with Tehran for the time being, until the nuclear crisis is resolved. On the other hand, Switzerland's good relations with Iran have most likely contributed to the Iranian government's decision in favor of EGL as a focal point of its overall gas export strategy towards Europe.

It is likely, however, that the energy deal will weaken Switzerland's position as a mediator in the Iran conflict. Even if the US reaction was relatively moderate overall, the gas deal nevertheless undermines Washington's efforts to isolate Tehran. In terms of *realpolitik*, one might argue that in view of the impending US and Iranian presidential elections no progress can be expected on the nuclear issue anyway for the foreseeable future, which is why Switzerland was right to prioritize its economic interests. Nevertheless, it should be noted that Switzerland can only pursue its niche policy in the Middle East as long as this does not torpedo US interests.

Similarly, the gas deal makes Swiss mediation in the Arab-Israeli conflict more difficult. Israel, which perceives an existential threat emanating from Iran, has reacted much more vehemently than the US to the Swiss agreement with Tehran. While the Anti-Defamation League's exaggerated polemical campaign can damage Switzerland's image, the major concern from the point of view of Swiss diplomacy are the frosty diplomatic relations with Israel that may have a negative impact on potential Swiss good offices. Finally, the gas deal has further weakened domestic backing for the Swiss government's Middle East policy. The foreign minister's decision to attend the signing of the contract in Tehran dressed in a headscarf and in the company of Iranian President Mahmoud Ahmadine-

jad has given rise to serious controversy in Switzerland. A controversial photo showed her smiling beside the Iranian president. Even if her cheerful demeanor may have been unintended and the debate over her headscarf seems beside the point, the photo has provoked growing criticism in Swiss Parliament about both the Swiss government's engagement approach and the way it implements its Middle East policy.

### Conclusion: Ambition and tension

Although Switzerland, by and large, shares the objectives of the US and the EU in the Middle East, it occasionally takes recourse to other means. Its dialog and mediation approach is supported by solid reasoning, although a major breakthrough such as the Oslo Agreement negotiated by Norway has so far remained elusive. While Switzerland's niche strategy is based on the country's non-membership in the EU, its non-invitation to Annapolis and to the 60<sup>th</sup> anniversary of the founding of the State of Israel also indicate the limitations of this approach. It is worth enquiring in this context to what extent Switzerland's aspiration – beyond its local mediation efforts in the Middle East – to build bridges between the Muslim world and the West is desirable and feasible.

As the country, its neutrality notwithstanding, belongs to the West in many ways, there are inevitable tensions in this approach. Other potential tensions in Switzerland's Middle East policy may arise between the Iranian dossier and the peace efforts in the Arab-Palestinian conflict, between peacebuilding and economic interests, between impartial mediation and engagement on behalf of humanitarian international law, and between an ambitious foreign policy and limited domestic support due to diverging foreign policy conceptions and interpretations of neutrality. While some of these tensions and the related policy incoherence are intrinsic, others can be mitigated. The country's Middle East policy could be placed on a more sustainable foundation by prioritizing activities and improving coordination in the context a comprehensive regional strategy, and by better public presentation of the Swiss approach.

Author and editor: Daniel Möckli  
moeckli@sipo.gess.ethz.ch

Translated from German:  
Christopher Findlay

Other CSS Analyses / Mailinglist:  
www.isn.ethz.ch

German and French versions:  
www.ssn.ethz.ch