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The Euro-Mediterranean Partnership: Assessing the First Decade

Editors:
Haizam Amirah Fernández
Richard Youngs

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Preface

Published on the eve of the high level meeting called to celebrate the tenth anniversary of the Euro-Mediterranean Partnership (EMP, or Barcelona Process), this book seeks to assess the achievements and shortcomings of the EMP during the last decade. The book is the outcome of a joint effort of the Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE) and the Real Instituto Elcano de Estudios Internacionales y Estratégicos. With Spain taking on the responsibility of organising the EMP's tenth anniversary summit, under the UK Presidency of the European Union, these two Madrid-based think-tanks have developed a strong interest in scrutinising developments related to the Barcelona Process. In this volume we present a collection of new essays written by some of the foremost experts of Euro-Mediterranean affairs; the editors would like to express their gratitude to these authors for their insightful contributions. We would also like to thank participants of the workshop held in Madrid in May 2005, at which initial versions of the chapters were presented and discussed. In addition to the chapter authors, these discussions benefited from the participation of other experts, including Sven Biscop, Iván Martín, Gonzalo Escribano, Alejandro Lorca and Mariano Aguirre. We are also grateful for the financial assistance offered by the Spanish Ministry of Foreign Affairs and Cooperation through the Spanish Agency for International Cooperation (AECI) and by the British Embassy in Madrid. We would like to express appreciation to our respective organisations for supporting the project, and in particular to Ana Echagüe and Irene Menéndez, and Natalia Sancha, researchers at FRIDE and the Real Instituto Elcano, respectively, without whose assistance this volume would not have been possible. Our thanks go as well to Andrea Álvarez and Allison Rohe.

*Richard Youngs and Haizam Amirah Fernández
Madrid, September 2005*

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Acronyms

ACP	African, Caribbean and Pacific (countries)
BMENA	Broader Middle East and North Africa
CFSP	Common Foreign and Security Policy (of the EU)
DAD	Democracy Assistance Dialogue
EIDHR	European Initiative for Democracy and Human Rights
EMP	Euro-Mediterranean Partnership
ENI	National Oil Company (Italy)
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
ESDC	European Security and Defence College
ESDP	European Security and Defence Policy
EU	European Union
EuroMeSCo	Euro-Mediterranean Study Commission
FDI	Foreign Direct Investment
FEMIP	Facilité Euro-méditerranéenne d'Investissement et de Partenariat
FEMISE	Euro-Mediterranean Forum of Economic Institutes
ICC	International Criminal Court
JHA	Justice and Home Affairs
MEDA	Financial and Technical Measures (to accompany the reform of economic and social structures)
MEFTA	Middle East Free Trade Area
MENA	Middle East and North Africa
MFN	Most Favoured Nation
NAC	North Atlantic Council
NATO	North Atlantic Treaty Organisation
NDP	National Democratic Party (Egypt)
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PSC	Political and Security Committee
QIZ	Qualified Industrial Zones
SHAPE	Supreme Headquarters Allied Powers Europe
USMEPI	US-Middle East Partnership Initiative
UN	United Nations
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees

Introduction

*Haizam Amirah Fernández
and Richard Youngs*

In November 1995, the creation of the Euro-Mediterranean Partnership (EMP) represented what appeared to be one of the European Union's most ambitious and innovative foreign policy initiatives, introduced with the Common Foreign and Security Policy, itself barely two years old. The EMP forged a partnership between the then fifteen EU member states and twelve southern Mediterranean states, across a comprehensive range of economic, social, cultural, political and security issues. The intervening decade has witnessed a gradual if undramatic solidification of the Partnership.

There is general agreement that the EMP has failed to meet the loftier objectives enshrined in its founding Barcelona Declaration and has struggled to adapt to changes in the strategic context, in particular those associated with the Israeli-Palestinian conflict. However, beyond this common judgement that improvements are needed to match EMP rhetoric with reality, differences of interpretation abound.

These differences exist over the meaning and significance of what has been achieved under the EMP during the last decade; over how firmly embedded the Partnership really is after a decade in existence; and over who the EMP has most benefited, northern or southern partner governments, private sectors or civil societies. Consequently, differences also take shape around the question of future strategy, how much of the Barcelona philosophy is worth preserving and which elements merit fundamental revamping. Differences on such questions are evident between EU member states; *within* each of these states; between the European Commission and southern Mediterranean partners; between southern Mediterranean governments and civil society voices; and between Arabs and Israel. Amongst analysts a greater uniformity of robust critique is evident, although with a range of views on the continuing merits of the Partnership.

Many of these differences were present at the EMP's birth. Some observers and policy-makers argue that competing interests and perspectives have since converged, thanks to the socialising impact of the EMP. Others, however, are more inclined to highlight the persistence of divergence, after a decade of supposedly common partnership. It is certainly the case that, whether narrowing or widening, these differences have assumed a particular pertinence in the context of efforts to revitalise the Barcelona Process.

Indeed, this volume has been inspired by debates over how to strengthen the EMP as it approaches its tenth anniversary. With a high-level tenth anniversary summit due to explore these issues in Barcelona in November 2005, debate has been galvanised on the EMP's future direction.

Compiled in the run up to this tenth anniversary summit, this volume seeks to explore the range of different perspectives on the Partnership, by reassessing the EMP's ten-year record of both achievement and failure. The aim is to inform debate at this crucial juncture – including beyond the summit itself – by shedding critical light on what has and has not been achieved in key thematic areas of the EMP, as well as on the different perspectives that persist in relation to such debates. To this end, the volume compiles new essays by some of the foremost experts on Euro-Mediterranean

relations, exploring both different thematic areas of EMP cooperation and different national perspectives on the Partnership's evolution.

Change in the Arab World

The EMP was launched at a moment of considerable optimism over the future of the southern Mediterranean. This was largely due to the initial dynamics generated by the Oslo Accords between Israel and the Palestine Liberation Organisation (PLO). Further negotiations between Israel and some Arab states created a propitious background for discussions over the possibility of developing a Euro-Mediterranean 'zone of peace, stability and security', as stated in the Barcelona Declaration. As time passed and the Middle East peace process stagnated – and indeed, intra-regional tensions deepened – the EMP entered a period of severe difficulty. The increasingly unhelpful regional environment, added to the EU's own internal inertia, undermined the capacity and political willingness of EMP partner countries and institutions to implement the wide range of reforms originally adumbrated in the Barcelona Declaration.

Ten years after the EMP was launched, the political, social and economic context of individual Arab countries, as well as of the Arab region as a whole, has changed dramatically. Most observers, Arabs and non-Arabs, agree that challenges to Arab human development remain grave. Some would argue that the Arab development crisis has even deepened and grown more complex in recent years. The UNDP 2004 Arab Human Development Report has identified 'the acute deficit of freedom and good governance in the Arab world as the most stubborn of all the impediments to an Arab renaissance'.¹

Intervention by foreign powers, such as the ongoing occupation of the Palestinian territories by Israel and the US-led occupation of Iraq continue adversely to influence the levels of security and well-being in the region. Other impediments relate to the existence of political, social and economic structures within Arab countries that continue to underpin authoritarian regimes. The apparent beginning of political reform processes in the Arab world has attracted much comment. Such incipient change is of undoubted significance, and promises to impact in important ways upon the Barcelona Process. However, political openings in the southern Mediterranean have so far remained cautious, selective and controlled by incumbent regimes. Reforms have been fragmentary, and have not yet had any discernible impact on easing the human development crisis in the region. The international context, marked since 11 September 2001 (9/11) by the US-led 'war on terror', is also having an effect on Arab freedoms, with several governments having imposed even tighter controls and restrictions on their citizens and citing fear of terrorism as the justification.

Despite all the limiting factors, calls for reforms to address some of the critical challenges facing the Arab world have emanated in recent years both from within the

¹ United Nations Development Programme, *Arab Human Development Report 2004. Towards Freedom in the Arab World*, New York, United Nations Publications, 2005, p. 4.

region and from external powers. One example at the official level is the Declaration on the Process of Reform and Modernisation, issued by the Arab summit held in Tunis in May 2004. Civil society organisations have also presented several reform initiatives, such as the Sana'a Declaration of January 2004, and the Alexandria Charter, approved by Arab civil society organisations in March 2004. It is widely perceived that much debate over reform has been prompted by a new US (declared) commitment to back democracy movements in the Middle East. The Broader Middle East and North Africa Initiative, which was adopted at the G-8 summit in June 2004, along with the US's Middle East Partnership Initiative, represent new elements in the policy environment conditioning the EMP.

Change in the European Union

Alongside these international trends, developments within the European Union itself provide a backdrop to the EMP that looks significantly different today than it did in 1995. Change within the EU has been no less noteworthy than within the Arab world. During the last decade, the EU has incrementally strengthened its profile as an international actor. Undramatic but steady reform has been introduced to the EU external relations machinery. This has increased expectations throughout the world that the EU is better able to meet its own stated objectives of an effective, unified and values-based foreign policy. The accession of ten new member states in May 2004 accorded the EU greater weight and potential international influence, incorporated a range of states having recently undergone the kind of political and economic transformations that the EMP propounds for the southern Mediterranean and has also given further impetus to ensuring that the EU possesses adequate procedures more efficiently to make foreign policy decisions.

The Constitutional Treaty, rejected by French and Dutch voters, had promised to inject greater commitment behind a number of EU policy aims, in particular in relation to comprehensive approaches to security, development and human rights. It had additionally incorporated key institutional improvements, including the post of EU foreign minister, ostensibly aimed at cohering the Union's increasing range of policy instruments. With European leaders having agreed to a pause for reflection, at the time of this writing the fate of such reforms to the EU's foreign policy machinery remains uncertain.

A key objective asserted in recent years has been to bring the EU 'closer to its citizens'. European politicians have frequently argued that the EU needs to more closely reflect the values and concerns of its own citizens and to operate in a more transparent and accountable fashion. This has opened debate about the more systematic incorporation of civil society actors into EU external actions. Polls have increasingly shown that European citizens both expect an effective common foreign policy and attach considerable importance to issues of human rights and development. The new Constitutional Treaty had affirmed (Arts I-1 and III-193) that the EU was based on the principles of 'liberty, democracy, equality, the rule of law and human rights' and that internationally the EU's policies were 'designed to advance in the wider world [these] principles which have inspired its own creation.'

On the back of these general developments, the moulding of the new European Neighbourhood Policy (ENP) has added a new dimension to relations with the

southern Mediterranean. The ENP purports to foster a 'ring of friends' on the EU's new post-enlargement periphery. This initiative has bred some confusion over how the linking together of southern Mediterranean states with countries such as Ukraine, Moldova and Armenia under a single policy framework will impact upon the EMP. Official EU doctrine is that the Neighbourhood Policy reflects a continuation and reinforcing of the Barcelona Process. Debate remains open, however, on the precise division of policy initiatives between these two frameworks.

The ENP was initially intended as an initiative focused on the states of the EU's new eastern periphery. Its extension to the southern Mediterranean offers the EU a number of potentially important new policy instruments in this region. The ENP is based on the notion of pursuing deeper and faster cooperation with those states that are more willing to progress with key reforms. The ENP offers the 'new neighbours' participation in many areas of EU economic cooperation, and in particular the single market, and is said to be based on an 'everything except the institutions' logic. It also contains an apparently more prominent focus on human rights and democracy.

Reflecting the declared aim of differentiating more between individual states, the ENP provides for bilateral action plans covering each neighbouring country. Morocco, the Palestinian Authority and Jordan were the first to agree on such action plans; Egypt and Lebanon have made significant progress in their negotiations with the EU. These action plans include over 200 stated objectives, but with little ordering of priorities. They have been closely modelled on the Europe agreements of the 1990s – and indeed, in certain places, are more or less exact replicas of the frameworks applied in eastern Europe. Progress on a series of reform benchmarks will be reviewed in 2007, with the idea of generating a 'competitive dynamic' between countries eager to attract more European resources. The Commission's current proposal (now tied in with the highly politicised debates over reform to the wider EU budget) is that as of 2007 the range of budgets covering the new neighbours will be folded into a single European Neighbourhood and Partnership Instrument (ENPI). The last text on budgetary reform presented by the Luxembourg Presidency at the June 2005 European Council – rejected of course amidst high profile acrimony – proposed a significant decline in funds for external relations.

Many uncertainties consequently remain over the significance of the ENP. Some states view it with concern, as potentially cutting-across the Barcelona Process *acquis* and introducing an unduly 'imposed' European initiative undermining the sense of partnership built up with Arab states. Other states see it as key to tempering the atrophy of the Barcelona Process and introducing a focus based more on concrete results rather than on a 'process for process' sake' philosophy, which they feel has come to debilitate the Euro-Mediterranean Partnership. The EU has so far been deliberately vague on the question of which kinds of reform will be rewarded with what kinds of sums of additional aid. Where initial action plan drafts talked of firm, objective benchmarks, more discretionary language has gradually crept back in. A number of member states are resisting proposed increases in aid, under the new ENPI, to middle income Maghreb and Mashreq states, pressing instead for a larger share of resources to be directed at the poorest developing states.

In short, a plethora of developments – the ENP, new debates over European values and internal democratic vibrancy, eastern enlargement, evolving EU foreign policy

mechanisms and the rejection of the Constitutional Treaty – combine to produce a changing context for EU strategies towards the southern Mediterranean. With the precise implication of these changes remaining unclear, they are important ingredients in the mix of considerations that inform perspectives on the record of and prospects for the Euro-Mediterranean Partnership.

Reassessing Barcelona

This evolving context invites analysis of the EMP from a range of different levels and perspectives. As the tenth anniversary summit approaches, a number of overviews of the EMP's achievements have been prepared, along with policy papers recommending specific reforms. The paper produced in February 2005 by EuroMeSCo stands as the most comprehensive and high profile of such reports,² while the Commission's April 2005 Communication provides an official view on what has succeeded under the EMP and which elements need renewed attention.³

In this volume we mould our analysis around some of the questions that we feel have so far been less explored in such work. In particular, two broad categories of concern present themselves for consideration. First, the question of how far the rich accumulation of initiatives in different thematic areas is in fact working to produce the impact to which the Barcelona Declaration aspires. Second, the issue of how the EMP is perceived from different national perspectives and how the Partnership relates to the evolving policies of national governments. Pursuant to these broad aims, the volume examines a number of more specific questions:

- What have been the political and social effects in the southern Mediterranean of EMP economic cooperation and strictures?
- How significant has the emergence been of supposedly new approaches to security under the EMP since the terrorist attacks of 9/11?
- What have been the precise strengths and weaknesses of EMP initiatives in the fields of cultural cooperation and human rights?
- How have key EU member states sought to influence the evolution of the EMP and how have their national priorities in the Mediterranean themselves changed?
- What are the broader lessons which can be drawn from the EMP's performance about the EU's effectiveness and distinctiveness as a foreign policy actor? What types of reform are most urgent to the EU's foreign policy instruments?
- How have southern Mediterranean perspectives of the EMP evolved during the last ten years, and how has the Partnership impacted upon local political debate in these countries?

In light of these concerns, the volume is structured into two sections: first, it assesses the main thematic areas of the EMP and second, it analyses the positions and perspectives of several states within the Barcelona Process.

Opening the first section, *Eberhard Kienle* offers a critique of one of the underlying tenets of the EMP's philosophy, namely that efforts to promote economic reform in

² EuroMeSCo, *Barcelona Plus: Towards a Euro-Mediterranean Community of Democratic States*, February 2005.

³ Commission of the European Communities, *Tenth Anniversary of the Euro-Mediterranean Partnership: A Work Programme to Meet the Challenges of the Next Five Years*, (Communication to the Council and European Parliament), 2005.

the southern Mediterranean would themselves impact positively upon the EU's stated objective of encouraging security-enhancing political change. In a similar vein, *George Joffé* outlines the shortcomings of the EMP's economic prescriptions and the EU's failure to target the most pressing needs of southern Mediterranean economic and social infrastructure.

In chapter three *Roberto Aliboni* argues that similar shortcomings beset the political domain, with EU efforts to promote democracy and human rights remaining both limited in scale and ill-conceived in a number of crucial senses. In her essay, *Michelle Pace* offers more grounds for optimism in charting the development in the EMP of an impressive array of cultural initiatives, but also laments that the third basket has remained oriented towards uncontroversial issues and has been too elite-oriented rather than broadly participatory.

Offering a robust critique of EU immigration policies, *Bichara Khader* lambasts the Barcelona Process's 'securitisation' of migration issues, which contradicts – he sustains – the EMP's own declared tenets of inclusiveness. In an analysis of the security domain, *Fred Tanner* highlights the extent to which security cooperation under the EMP has increasingly focused on Justice and Home Affairs (JHA) concerns rather than any initiatives aimed at broader security sector reform.

The book's second section offers case studies of seven of the EMP's member countries, four European, three Arab.

Dorothee Schmid outlines the key elements of France's 'mixed' perspectives on the EMP: its increasing desire to utilise the EMP while also retaining scope for national action; its priority concern with strengthening the Partnership's JHA pillar after 9/11; and its growing tendency to see the EMP through the lens of strategic competition with the United States. In his chapter on Spanish policies, *Jesús Núñez* charts the different approaches of successive Spanish governments towards the Mediterranean, before warning that the current administration is staking a great deal of its Mediterranean credibility on its capacity to enhance the region's development and security.

Annette Jünemann observes that Germany has gradually strengthened its security-driven engagement in the Barcelona Process, but that Berlin also exhibits contrasting signals: on the one hand, the country has focused increasingly on facilitating dialogue (both through the EMP and bilaterally) with a broad range of civil society organisations; on the other hand, it has favoured some highly 'repressive' measures in the sphere of counter-terrorism. For her part, *Rosa Balfour* notes some very contrasting dynamics in Italian policy: Italy's persistently low profile in debates over the EMP and priority orientation towards the Balkans; and its tendency to resort to bilateral actions outside the EMP, including in relation to Libya, which sits very uneasily with EU human rights objectives.

The volume lastly offers three short essays assessing Arab perspectives on the EMP. In his chapter, *Amr Hamzawy* laments the limited role that the Barcelona Process has played in relation to recent, significant political developments in Egypt. *Walid*

Abu-Dalbouh outlines persistent concerns in Jordan over the EMP's economic impact and admonishes the EU for having done little to advance democracy and human rights in Jordan since the Barcelona Process's creation. *Fouad Ammor* discusses Moroccan perspectives vis-à-vis the EMP, emphasising the need for the EU to do more to help implement political reforms in the southern Mediterranean partner states.

The volume's conclusions draw out a range of common concerns that emerge from our authors' respective chapters. These are presented as the key issues on which deliberation is most urgently required if the stated aim of revitalising the Barcelona Process is to be fulfilled. In addition, we revisit the main suggestions for improvement in each thematic area that we hope will stimulate debate ahead and beyond the EMP's tenth anniversary. Summarising the findings of our volume, we contend that the EMP requires both qualitative and quantitative reform if it is not to lose its comparative advantages as a holistic framework governing relations between the EU and the southern Mediterranean.

Section One: Thematic Areas

Chapter 1

**Political Reform through
Economic Reform?**

The Southern Mediterranean States
Ten Years after Barcelona

Eberhard Kienle

Ten years after the Barcelona Conference the European Union's southern and eastern Mediterranean neighbours have made little or no progress towards democratisation or political liberalisation. In some cases during this decade, political regimes even became more authoritarian and repressive than they had previously been. Crucially, the expected causal link between economic and political liberalisation, such a central element of the Barcelona Process philosophy, has not materialised in practice. This chapter examines why economic reform has not entailed political reform beyond what may be termed the reconfiguration of authoritarianism. It is argued that understanding why this link has failed to materialise is key to the rightful future development of the Barcelona Process.

Economic Reforms

Since the mid-1980s all southern Mediterranean states have initiated economic reform policies to overcome severe economic crises and enhance their long-term growth prospects. Particularly in a period of declining oil revenues, inefficient resource allocation and productivity had heavily increased external and budgetary imbalances, as well as public debt. In practice, most of the states concerned implemented programmes of macro-economic stabilisation and structural adjustment as proposed or imposed by the International Monetary Fund and World Bank. In a few rare cases, including Syria and Libya, reforms of this type have been implemented without the direct involvement of external actors, but even here were largely copied from said institutions' policies. Expressing a set of economic assumptions fashionable then and now, these reforms have been advocated not only by the Bretton Woods institutions but by the majority of the Organisation for Economic Cooperation and Development (OECD) countries and the multilateral organisations that they dominate. Therefore, it comes as no surprise that economic reforms recommended under the Euro-Mediterranean Partnership (EMP) initiative have been inspired by the same assumptions.

Macroeconomic stabilisation and its variations mainly aim at overcoming external and budgetary imbalances that lead to an increase in public (domestic and/or foreign) debt. As external imbalances frequently derive from endemically unbalanced budgets, stabilisation – among other measures – entails cuts in government spending (social services, subsidies, etc) and attempts to raise revenues (taxation). Structural adjustment in its generic sense (including its specific definitions by the World Bank) aims at enhancing the long term productivity and competitiveness of an economy. Partly overlapping themselves, both sets of measures aim at 'liberalising' the economies concerned in three major ways. First, they seek to strengthen the private relative to the public sector, by privatising to some extent publicly owned enterprises, in particular those producing commodities and services; second, they seek to deregulate economic activities, for instance through the reform of labour markets; and third, they seek to increase the share of markets in the allocation of resources. According to a common misunderstanding, the growth of the private relative to the public sector implies a greater role for markets in the allocation of resources. Generally, stabilisation and adjustment are accompanied by some limited measures intended to cushion socially disruptive effects and/or otherwise support the transition to private sector based economies (social funds, business support centres, transition periods, etc).¹

¹ See, for instance, Lance Taylor (ed.), *The Rocky Road to Reform: Adjustment, Income Distribution, and Growth in Developing Countries*, Cambridge, MA, MIT Press, 1993 and L. Taylor, *Restructuring Macroeconomics: Structuralist Proposals and Critiques of the Mainstream*, Cambridge, MA, Harvard University Press, 2004.

Since the Barcelona Conference was held at a time when southern Mediterranean states were increasingly moving from stabilisation to adjustment, or when they were indeed in a position to deepen adjustment, EU-sponsored reforms stress the latter rather than the former. They entirely embrace the objective of economic liberalisation in terms of deregulation, private sector and market growth; however, they do so whilst supporting measures to make these reforms more socially palatable. EU reforms also put particular emphasis on external economic liberalisation and thus on free trade between the EU and its southern Mediterranean partners, with a Euro-Mediterranean free trade area as prime objective.²

Although all southern Mediterranean states have begun to liberalise their economies, none of them has pushed such liberalisation very far. Public sectors have shrunk, but even without counting the hydrocarbon industries, they continue to account for a significant part of the gross domestic product (GDP), foreign trade and fixed investment. Public sector monopolies also continue to exist, or have simply been replaced by private sector monopolies or oligopolies. Labour markets have been partially reformed and 'liberalised' but like numerous other activities continue to be highly regulated. Market relations have affected the allocation of growing numbers of commodities and services but centrally organised forms of resource allocation persist. Foreign trade liberalisation is (about to be) most advanced in states that have ratified association agreements with the EU, governed by the principles of the Euro-Mediterranean Partnership.³

Linkages between Economic and Political Reforms

Much of the literature that establishes a positive causal link between economic and political reform concentrates on the effects of economic liberalisation. It assumes that private sector growth favours: a) economic growth and wealth creation; b) the emergence or growth of a middle class or bourgeoisie, often seen as natural carriers of democratic values; c) the growth of 'economic markets' entailing the growth of 'political markets'; and d) the retreat of the state. Though in different ways and to different degrees, advocates of the EMP subscribe to all or some of these arguments. Far less frequently appears a fifth and more interesting argument according to which economic reform reinforces societal differentiation and cleavages in need of new conflict resolution mechanisms.⁴

There are few claims in the literature that the austerity measures at the heart of macroeconomic stabilisation favour political liberalisation. Even democracy promoters consider them as temporary obstacles to democratisation, to the extent

² For a concise summary, see Samir Radwan and Jean-Louis Reiffers (eds), *Le partenariat euro-méditerranéen, 10 ans après Barcelone: acquis et perspectives*, (FEMISE 2005 report), Marseille, Institut de la Méditerranée, 2005. For a discussion of the strategy, its objectives and results, see Richard Youngs, 'European Approaches to Security in the Mediterranean', *Middle East Journal*, 2003, vol. 57, no. 3, pp. 414-31; Oliver Schlumberger, 'Arab Political Economy and the European Union's Mediterranean Policy: What Prospects for Development?', *New Political Economy*, vol. 5, no. 2, pp. 247-68; and Eberhard Kienle, 'Destabilisation through Partnership? Euro-Mediterranean Relations after the Barcelona Declaration', *Mediterranean Politics*, vol. 3, no. 2, pp. 1-20.

³ See the annual reports produced by FEMISE mentioned above, as well as relevant World Bank reports, frequently updated and generally accessible on the World Bank's website, www.worldbank.org.

⁴ For a more detailed discussion of these arguments, see Eberhard Kienle, *A Grand Delusion: Democracy and Economic Reform in Egypt*, London, I.B. Tauris, 2001, in particular pp. 183-200.

that austerity measures allegedly tend to foster anti-government mobilisation and consequently pre-emptive or reactive clampdowns.⁵ However, in the long run austerity measures are supposed to cure economies; consequently, the latter would improve and grow, and political liberalisation would return to the agenda. Curiously, however, austerity measures have hardly ever been likened to an increase in taxation, which – according to the taxation-representation literature – is supposed to favour political liberalisation and democratisation.⁶

Economic and Political Developments

In some southern Mediterranean partner countries a degree of political liberalisation has chronologically followed, or coincided with, economic reform. While this suggests the possibility of a causal link, this needs to be examined more closely.

Much has been quoted, in this respect, about the case of Morocco, where – 14 years after the beginning of economic reform and about a year after the country adhered to the Barcelona Process – the 1997 parliamentary elections seemed to usher in major political change. Morocco had reached an agreement on stabilisation and adjustment with the international financial institutions as early as 1983. Providing for the standard measures sketched out above, the agreements were implemented to the overall satisfaction of the Bretton Woods institutions. They produced macroeconomic stability, moderate economic growth, a degree of deregulation, the growth of the private relative to the public sector, an extension of markets and a greater number of and substantively strengthened capital owners. In 1996, Morocco became the second southern Mediterranean country (after Tunisia, see below) to sign a new EMP association agreement, which came into force in 2000.

Observers assuming a time-lag between economic and political reforms, as well as those believing in the rapid translation of economic into political change, could consider themselves vindicated by the 1997 elections. The latter not only changed the composition of parliament but also resulted in a new coalition government, under the leadership of the Socialist Party that had never been represented in any previous government. The new prime minister, Abd al-Rahman al-Yusufi, had spent many years in jail on political grounds. However, while undoubtedly there was change, it was not ipso facto democratic change. The results of the 1997 elections were as doctored as ever, largely negotiated between the political parties and the Palace, and ultimately fixed by the latter. Key ministers such as those for defence and the interior continued to be selected by King Hassan II, without any consultation with the prime minister. The king neither lost nor renounced any of his sweeping powers, which were soon inherited by his son and successor, Muhammad VI.

No major political reforms have subsequently been implemented in Morocco, except for the new Personal Status Law, which strengthened the legal position of women. After the 2002 elections, Muhammad VI delayed the formation of a new government

⁵ See, for instance, Stephen Haggard and Robert R. Kaufman, 'Economic Adjustment and the Prospects for Democracy', in S. Haggard and R. R. Kaufman (eds), *The Politics of Economic Adjustment*, Princeton, Princeton University Press, 1992, pp. 319-50.

⁶ Eberhard Kienle, 'The Political Economy of Regime Transformation' (unpublished paper presented at the European Science Foundation workshop, 'Euro-Med and Middle East Political Economy: Assessing the State of the Field'), European University Institute, Florence, May 2003.

to reinforce his own prerogatives and to demonstrate the ultimate irrelevance of elections. Probably with the same objective in mind he chose a prime minister from outside the new parliamentary majority. Around the same time, he reinforced top-down decision-making processes, by – for instance – reinforcing the role of centrally appointed governors in the provinces. Political decompression (to use a more modest term than ‘political liberalisation’) continued, but was not pushed further. While freedom of expression is broader than it was previously, the recent troubles of journalists and the press hardly indicate a continuous expansion and reinforcement of liberties.

Even if developments since 1997 had been more positive, the chronology order or correlation of events would still not prove a causal link between economic and political reform. The 1997 ‘alternance’ has been explained as an attempt at elite rotation in which the king grants honours and rewards to competing groups and factions. Similarly, the partial and slightly less restrictive redefinition of liberties applied since the late 1990s may be seen as simple window-dressing for foreign donors and allies, including the EU, which were rhetorically concerned about democracy and human rights.⁷

Less quoted is the case of Syria, where economic reforms began in the 1970s and 1980s and, since the 1990s, have coincided with a degree of political decompression. While the earlier economic reforms clearly fall into a period prior to the launch of the Euro-Mediterranean Partnership, more recent measures were enacted after Damascus became interested in an EMP association agreement. Following protracted negotiations, this agreement was signed in 2004, but at the time of this writing has still not been ratified.

In the second part of the 1980s, the Syrian regime under Hafiz al-Asad decided to turn to the private sector to pull the country out of its fiscal and foreign exchange crisis and to return to positive growth figures. The policy change quickly paid off, even though modest but increasing hydrocarbon production helped the regime to ignore underlying structural problems. Within a few years the private sector exceeded the public sector in terms of new investments, industrial output and contribution to GDP. Tacit and sometimes explicit de- and re-regulation had taken place to help foster these changes, which entailed the allocation of additional resources through market mechanisms. Not surprisingly, the income of private entrepreneurs rose considerably, reinforcing societal differentiation.

Immediately prior to the parliamentary elections of 1990, the regime introduced what by Syrian standards seemed to amount to major political reform. It changed the electoral law, allowing independent candidates to stand and to fill one third of the seats in parliament. At the same time, repression somewhat eased and the regime reigned in some of the worst human rights abuses committed by its various police

⁷ Mounia Bennani-Chraïbi, Myriam Catusse and Jean-Claude Santucci (eds), *Scènes et coulisses des élections au Maroc: les législatives de 2002*, Paris, Karthala, 2005; Myriam Catusse and Frédéric Vairel, ‘Ni tout à fait le même, ni tout à fait un autre: métamorphoses et continuités du régime marocain’, in *Monde arabe: Maghreb / Machrek*, no. 175, pp. 73-92; Jean-Noël Ferrié, ‘Succession monarchique et désenchantement de l’alternance partisane au Maroc’, in *Annuaire de l’Afrique du Nord 1999*, Paris, Editions du CNRS, 2002, pp. 215-32; Alain Roussillon, ‘Un Maroc en transition: ruptures et continuités’, in *Monde arabe: Maghreb / Machrek*, no. 164, pp. 3-8; and see also chapters on Algeria in *Annuaire de l’Afrique du Nord*, Paris, Editions du CNRS, annual.

forces. Policies to strengthen the private sector continued, notably with the Investment Law of 1991 that offered generous tax holidays to local and foreign investors. And after a period of stagnation in the second half of the 1990s, as of 2000, new reforms were promulgated and implemented after Bashar al-Asad had succeeded his father. The most visible innovation was a change to the banking law, allowing private banks to form joint ventures with the state and compete with public sector banks. Parliament continues to be elected in accordance with the revised electoral law and, in spite of numerous abuses, the regime's grim human rights record has continued to improve.

There is no doubt that electoral reform helped the regime to widen its societal base by incorporating as junior partners members of the business community. It therefore provides an example of modest political liberalisation under conditions of limited economic liberalisation. However, improvements in the human rights record were clearly meant to appeal to North American and European constituencies whose support became ever more crucial after the end of the cold war and the demise of the Soviet Union had deprived Syria of its major external sources of economic, military and diplomatic support vis-à-vis Israel.⁸

In short, in Morocco and Syria partial economic liberalisation clearly preceded, or coincided with, a degree of political decompression. In the Moroccan case, such decompression was moreover preceded by the signing of the new association agreement with the EU. However, except for the modest changes to the electoral law in Syria there is no evidence as to a causal link between economic and political reform. The existence of such a causal link is further thrown into question by the example of countries where economic reform coincided with political stagnation or even political deliberalisation.

In Jordan, macroeconomic stabilisation and structural adjustment date back to the mid-1980s. In line with the basic features of these policies, budgetary and external imbalances were addressed; a degree of deregulation took place; the private sector was allowed to move into activities that up until then had been the preserve of the public sector; owners of capital were strengthened numerically and economically; and markets played an increasing role in the allocation of resources. Just as in Morocco, the Euro-Mediterranean association agreement, signed in 1997 and in force since 2002, by and large reinforced these trends.

However, the much celebrated 1989 general elections and their results reflected political as much as economic developments. They provided a limited degree of political representation, rather than participation, meant to incorporate helpful constituencies into the political process, and compensate voters for economic losses caused by austerity measures that had resulted in open revolts. They also followed

⁸ Philippe Droz-Vincent, 'L'autoritarisme syrien entre réformes internes et pressions américaines', in Remy Leveau (ed.), *Afrique du Nord / Moyen-Orient: espace et conflits, Edition 2004-2005*, Paris, La documentation française, 2004, pp. 95-115; Raymond R. Hinnebusch, *Syria: Revolution from Above*, London, Routledge, 2002; Eberhard Kienle (ed.), *Contemporary Syria: Liberalisation between Cold War and Cold Peace*, London, British Academic Press, 2004; Eberhard Kienle, 'Authoritarianism liberalised: Syria and the Arab East after the Cold War' in William Hale and Eberhard Kienle (eds), *After the Cold War: Security and Democracy in Asia and Africa*, London, I.B. Tauris, 1997, pp. 194-226; Volker Perthes, *The Political Economy of Syria under Assad*, London, I.B. Tauris, 1995; and Volker Perthes, 'Syria under Bashar al-Asad: Modernisation and the Limits of Change', *Adelphi Paper*, no. 366, London/Oxford, IIS & Oxford University Press, 2004.

King Hussein's decision in 1988 to sever (most) ties with Israeli-occupied Palestine and thus reflected the reformulation of the Hashemite monarchy as a Transjordanian entity similar to the identity that had prevailed from its creation to the first Palestine war. The partially liberalised economy, of course, did not prevent subsequent suspensions of parliament or the promulgation of a new electoral law in 2003, which redrew constituencies expressly so as to produce a stable pro-Hashemite majority. In the best of cases, Jordan has politically stagnated in the period of economic reform since the creation of the Barcelona Process.⁹

Algeria has implemented important and far reaching measures of economic stabilisation since the economic crisis and large scale riots of the late 1980s. Prudent macroeconomic policies have continued ever since then and were later accompanied by modest measures of economic liberalisation. Algeria signed an association agreement with the EU in 2002, which was ratified in September 2005. Recently, there has once again been talk of major privatisations. Partly because of its significant income from hydrocarbon rents, Algeria has not seen the emergence of a private sector, a class of private capital owners or markets that advocates of a linkage between economic and political liberalisation would consider strong enough to presage political change.

During the period in question, Algeria has made little progress towards political liberalisation. As is well-known, the 1992 general elections were suspended by the regime when the Islamist opposition appeared to be on the brink of victory. Once the Islamist opposition was defeated through harsh repression and after a civil war that was repeatedly escalated not only by the opposition but also by the regime, two presidential elections have been held. On both occasions opposition candidates were allowed to stand. The first time they withdrew in protest against government attempts to rig the election, the second time they won a negligible portion of the vote. The regime remained in place, with a few shifts in balance between its different factions. After a period of political decompression the freedom of the press has again been restricted, with the closure in 2004 of *Le Matin* and the subsequent harassment and arrest of numerous journalists.¹⁰

In Egypt, the reforms implemented under a 1991 agreement with the international financial institutions also followed the usual template and included the usual set of measures. Temporarily, at least, they managed to reduce budgetary and external deficits. Similar to developments in Syria, they enabled the private sector to overtake the public sector with regard to various key economic indicators. Though not necessarily in commensurate terms, they also strengthened the role of markets. They also strengthened owners of capital, both numerically and in their share of total wealth, thus again deepening societal differentiation. The association agreement with the EU signed in 2001 and in force since 2004 has reinforced these trends.

⁹ André Bank and Oliver Schlumberger, 'Jordan: Between Regime Survival and Economic Reform', in Volker Perthes (ed.), *Arab Elites: Negotiating the Politics of Change*, Boulder, CO, Lynne Rienner, 2004; Lucas E. Russell, *Institutions and the Politics of Survival in Jordan: Domestic Responses to External Challenges, 1988-2001*, Albany, NY, State University of New York Press, 2005; and Curtis A. Ryan, *Jordan in Transition*, Boulder, CO, Lynne Rienner, 2002.

¹⁰ Bradford L. Dillman, *State and Private Sector in Algeria: The Politics of Rent-Seeking and Failed Development*, Boulder, CO, Westview, 2000; Luis Martinez, *The Algerian Civil War, 1990-1997*, London, Hurst, 2000; Werner Ruf, *Die algerische Tragödie: vom Zerschlagen des Staates einer zerrissenen Gesellschaft*, Münster, Agenda-Verlag, 1997; see also chapters on Algeria in *Annuaire de l'Afrique du Nord*, Paris, CNRS Editions, annual.

Politically, the economic reforms coincided with highly repressive amendments to the penal code; an increased number of arrests under emergency law provisions; an avalanche of death sentences; tighter restrictions on the independence of professional organisations; additional restrictions to the freedom of expression; and the severely rigged general elections of 1995, in which members of the regime party obtained 95 per cent of the seats. These developments also coincided with the run-up to the Barcelona Conference and continued during the protracted negotiations for a Euro-Mediterranean association agreement between Egypt and the EU. After the late 1990s, repression eased slightly. In the 2000 general elections, the regime's party won 87 per cent of the seats, the share it had by and large obtained in parliaments prior to 1995. However, the constitutional amendment promulgated in May 2005, allowing more than one candidate to stand in presidential elections, included enough restrictions to guarantee in practice the victory of the regime candidate.

It is certainly true that political deliberalisation in Egypt in the 1990s reflected a variety of variables. To a considerable extent it reflected conflicts between the regime and oppositional Islamists. At the level of positive liberties it was largely the unintended consequence of a supreme court ruling requesting the regime to amend the restrictive electoral law. In other words, a liberal-minded court ruling for a liberalisation of the electoral law prompted the regime to compensate or even overcompensate by fraud for what it might have lost in freer and fairer elections. However, the example of Egypt in the 1990s not only shows that economic liberalisation alone is not enough to advance political liberalisation, but in some respects, it also illustrates that economic liberalisation may itself have politically deliberalising effects. It can indeed be shown that new restrictions on the press and on trade union activities were directly related to the growth of the private sector that attempted to invest in the media and to weaken the organisational capacities of its workforce. The more recent partial political decompression reflects international, in particular US, pressure rather than the spill-over effects of economic reform.¹¹

Even more salutary for advocates of a causal link between economic and political reform is the case of Tunisia. Having implemented stabilisation and adjustment policies since 1987, Tunisia soon managed to return to macroeconomic equilibria. Standard stabilisation and adjustment measures contributed to deregulation, the increasing role of markets in the allocation of resources and, though with some caveats, the growth of the private relative to the public sector. Economic liberalisation was pushed further under the new EMP association agreement signed as early as 1995 and in force since 1998. The effects on the emergence and consolidation of a class of capital owners and on social differentiation were similar to other countries in the region.

Largely considered as an economic success story, Tunisia has become increasingly repressive in terms of political participation. After a brief period of political opening in the late 1980s, just after its current president, Zin al Abdin Bin Ali, had toppled his predecessor Habib Bourguiba, political deliberalisation set in during the 1990s. This

¹¹ May Kassem, *Egyptian Politics: The Dynamics of Authoritarian Rule*, Boulder, CO, Lynne Rienner, 2004; Eberhard Kienle, *A Grand Delusion: Democracy and Economic Reform in Egypt*, London, I.B. Tauris, 2001; Eberhard Kienle, 'Transformation without Democratisation? Egypt's Political Future' in *Internationale politik und Gesellschaft/International Politics and Society*, no. 4, 2004, pp. 70-86.

entailed the systematic repression of opposition groups including the left and the Islamists and culminated in the constitutional reform of 2002 that allowed President Bin Ali to have himself re-elected another two times, followed by life long immunity from any kind of persecution. Repression and the suspension of any meaningful form of political participation have continued after Bin Ali's 're-election' in 2004. A clampdown on members of the bar association in early 2005 is just one example of such continuity.¹²

Trends and Explanations

These examples provide evidence for the slow and modest transformation of some of the existing political regimes through the inclusion or strengthening of seemingly participatory elements and the decline in extremely violent forms of repression. However, so far such transformations have not reduced the capacities of incumbent regimes to remain in power, reproduce themselves or pursue policies of their choice within the obvious international and material constraints that may apply. Where liberties seem to have expanded in one way or another, other, less visible restrictions were implemented. In line with an argument once developed by I. William Zartman, political decompression ends up consolidating, not threatening authoritarian regimes.¹³ Rather than representing processes of political liberalisation and democratisation these changes illustrate the reconfiguration and modernisation of authoritarian regimes.

In most cases these transformations chronologically more or less follow or coincide with economic reforms comprised of stabilisation and adjustment measures with a considerable emphasis on economic liberalisation. Such chronology or coincidence does not as such amount to causation. In some cases there may well be potential for some degree of causal relation between economic liberalisation and the growth of certain liberties. However, the political reform that has taken place has been kept below the threshold that would indicate regime transformation. The 1990 electoral reform in Syria certainly did not prevent Bashar al-Asad from inheriting his father's position of president of the republic.

In other situations, economic liberalisation has directly contributed to additional restrictions on liberties. To take the case of Egypt, private sector growth in practice led to restrictions on the possibilities for workers to join trade unions; wealth-related increases in corruption, both real and perceived; whilst the wealth-related multiplication of private media companies brought about new restrictions on freedom of expression and the freedom to form private media enterprises. It should not be forgotten that hitherto in various countries economic reforms have not improved the living standard of the majority whose basic liberties are by that very fact adversely affected.

It could be argued that in the countries examined here, the politically liberalising effects of economic liberalisation were limited, neutralised or entirely superseded by the politically deliberalising effects of austerity measures. Indeed, in all cases,

¹² Eva Bellin, *Stalled Democracy: Capital, Labor and the Paradox of State-Sponsored Development* Ithaca, NY, Cornell University Press, 2002; Michel Camau and Vincent Geisser, *Le syndrome autoritaire: politique en Tunisie de Bourguiba à Ben Ali*, Paris, Presses de Sciences-Po, 2003; see also chapters on Tunisia in *Annuaire de l'Afrique du Nord*, Paris, Editions du CNRS, annual.

¹³ I. William Zartman, 'Opposition as Support of the State', in Giacomo Luciani (ed.), *The Arab State*, London, Routledge, 1990, pp. 220-46.

measures of economic liberalisation followed, or coincided with, stabilisation in the wider or generic sense of the term and thus with austerity measures, albeit if only by attempts to pre-empt renewed increases in budget deficits and external imbalances. In other words, the cases examined above provide no clues as to what the effects of economic liberalisation would be, or would have been, in an overall context not marked by stabilisation and austerity. Moreover, it does not seem that much evidence of that sort will be available in the future: various countries such as Morocco may well be in store for new stabilisation programmes, while others, such as Egypt, have heavily scaled down privatisation programmes once stabilisation (temporarily) succeeded.

However, if the political effects of austerity measures override those of economic liberalisation, the latter is not an independent variable strong enough to prompt or favour political liberalisation. More importantly, the fact that economic liberalisation generally occurs in contexts of actual or pre-emptive stabilisation (intended to avoid macroeconomic imbalances) renders the argument as to the politically liberalising effects of economic liberalisation entirely hypothetical. This applies not only to Arab but also to OECD countries where economic liberalisation also invariably occurs in a context of fiscal retrenchment, and therefore of reactive or pre-emptive stabilisation with the attendant austerity measures.

The argument that the political effects of austerity measures work against those of economic liberalisation is premised on the hypothesis that austerity measures easily or invariably result in restrictions to political liberties. We have already questioned the general validity of that assumption. However, the claim that economic liberalisation alone favours or prompts political reform is based on shaky assumptions, *even if* it is made for situations not complicated by austerity policies. Most of the variations on this theme are neither logically convincing nor based on historical evidence. At least three standard arguments often advanced in this regard are questionable:

- First, that economic liberalisation ipso facto entails economic growth;
- Second, that economic liberalisation naturally generates a pro-democratic middle class; and
- Third, that market growth inevitably disperses power away from the state.

Rather, historically economic liberalisation only had an impact on political liberalisation and democratisation when and where it favoured or prompted the emergence of new power centres able and willing to challenge the respective ruling regime. These power centres were often the product of growing societal differentiation; however, growing societal differentiation does not ipso facto entail the emergence of such power centres. In this process, private economic actors such as companies, entrepreneurs or groups and associations formed by them, and later trade unions, began to wield sufficient economic power to become politically relevant. Entirely contrary to crony capitalist arrangements, this was the process through which conflicts, stand-offs, negotiations and sometimes violence resulted in power sharing arrangements which then, thanks to the presence of additional facilitating factors, gradually developed into democratic decision making procedures.¹⁴

¹⁴ As we know from comparative historical analysis as practiced by Dietrich Rueschemeyer, Evelyne Huber-Stephens and John D. Stephens, *Capitalist Development and Democracy*, Cambridge, Cambridge University Press, 1992; Charles Tilly, *Contention and Democracy in Europe: 1650-2000*, Cambridge, Cambridge University Press, 2004; and Kathleen Thelen and Sven Steinmo, 'Historical Institutionalism in Comparative Perspective' in Kathleen Thelen, Sven Steinmo and Frank Longstreth (eds), *Structuring Politics: Historical Institutionalism in Comparative Analysis*, Cambridge, Cambridge University Press, 1992 .

Hitherto, the economic liberalisation prompted and supported by the EMP in Arab states has been conducted in ways that have prevented the emergence of such competing power centres. Nowhere has it yet involved the development of institutions (in the wider sense), such as impartially governed markets, which could favour the emergence of such power centres. Nor has it, of course, entailed the empowerment of weaker actors such as entrepreneurs without regime connections in ways that would help them challenge the stronger established economic actors and enable them to establish themselves as competing power centres.

Implications for the Barcelona Process

A key concern for European policy makers concerned with the promotion of democracy and politically relevant freedoms should be to support the emergence of such power centres, as long as they adhere to a minimum consensus with regard to procedure and the boundaries of the political community concerned. Under certain conditions economic reform, skilfully managed, may contribute to such an outcome. Public sector reform may cut the patrimonial ties that often allow political regimes to manage that sector for their own interests. Provided crony capitalist arrangements are avoided, privatisation policies may have more important effects, in particular if they entail not only the emancipation of private capital but also that of trade unions – and especially if they coincide with wider political reforms aimed at reinforcing the separation of powers.

If the existence of competing power centres is accepted as the necessary condition for democratisation one cannot simply rely on the alleged beneficial political effects of a policy as general as economic reform or liberalization. Rather, certain clearly defined aspects of economic reform must be privileged and linked to equally clearly defined aspects of political reform – the latter conceived as a process that is not just the unproblematic by-product of the former.

Practically speaking, this means that external actors such as the EU who push for reform in Mediterranean or in other developing countries need to design their aid, trade and development policies in ways that favour the emergence of such independent power centres. For instance, access to European or OECD markets, already granted selectively because of domestic lobbies, could be fine-tuned to enable hitherto less prominent economic actors, groups and categories of economic actors in the southern Mediterranean to grow and assert themselves more rapidly. In order to avoid a new type of trans-Mediterranean cronyism and to respect standards of the World Trade Organisation (WTO), similar results could be obtained more in line with declared standards of impartiality by scrutinising southern Mediterranean companies owned or chaired by members of the regimes in place or their family. If opposed on grounds of non-interference such demands may, and indeed should be backed-up by similar requirements for European companies and politicians.

Obviously strawmen would appear, but sufficiently strengthened economically even they might later sever the bonds of clientelism. All sorts of other techniques as well would be invented to counter the threat. Nonetheless, priority should be given to the monitoring of the economic activities of regime members; the need for elites to reveal their fortunes and interests; the implementation of rules separating as

much as possible the exercise of political from private economic responsibilities; and the complete transparency of litigation or arbitration procedures, the latter requiring the strengthening of an independent judiciary and therefore of the separation of powers.

As a matter of course, any constitutional separation of powers needs to be backed up by the separation of these powers in actual fact, which involves changes far more difficult to bring about than simple constitutional amendment. Law courts will never be independent as long as an unaccountable government monopolises control of the police and is able to use this to put pressure on judges. Devolution of policing powers to regional levels may be a solution in some cases.

Put differently, the emergence of independent power centres depends on serious political reform in addition to a focus on economic reform. In order for economic reform to favour the emergence of independent power centres and therefore political liberalisation and democratisation it needs to be pursued through an accompanying focus on political reform. Civil engineers know that tunnels need to be dug simultaneously from both ends.

Chapter 2

**The Euro-Mediterranean
Partnership and Foreign
Investment**

George Joffé

When the Barcelona Process was introduced in 1995 as the European Union's policy towards the Mediterranean, it was predicated on a series of economic assumptions designed to achieve certain clear security objectives. There were, of course, other objectives and assumptions outside the economic arena but this has been the facet of the Euro-Mediterranean Partnership (EMP) that has received most attention. Indeed, given the nature of the European Union itself, this was hardly surprising for it was itself a product of a very similar logic. This chapter questions a number of these key economic assumptions underlying the EMP, observing that foreign investment to southern Mediterranean states has failed to increase; that the EMP has failed to hone in on the fundamental blockages to endogamous growth in Arab states; and that the European Neighbourhood Policy (ENP) in important regards risks cutting across the holism of the Barcelona Process.

The Economic Prescription

The primary security objective was, of course, to find some way of dealing with uncontrolled economic migration and the dangers of spillovers of domestic violence, itself the result of economic failure, by encouraging sustained and successful economic development amongst southern Mediterranean states. This was to be achieved by an extension of the earlier policies of bilateral economic cooperation whereby the European Union provided access to its domestic markets for goods from these countries in the hope of stimulating economic development through export-oriented endogamous growth. Thus, exports of primary products and industrial goods were provided with unrestricted entry to the European marketplace,¹ whilst agricultural produce was subject to restrictions in order to protect European producers under the Common Agricultural Policy, especially after Spain and Portugal entered the European Community in 1986.

An ancillary objective of these pre-Barcelona cooperation agreements had been to stimulate foreign investment, both in terms of official development aid and as direct private foreign investment. After 1983, the date of Morocco's debt repayment crisis, and as the Washington Consensus was adopted by multilateral financial organisations – the International Monetary Fund and the World Bank, in particular – the emphasis was increasingly put by the EU as well on economic restructuring and creating a favourable investment climate in the southern Mediterranean basin as a means of encouraging private investment from abroad. Thus, although EU official funding continued and concepts of 'horizontal funding' were introduced, there was increasing emphasis on the advantages of private sector funding from abroad, albeit as direct investment or, as the states there began to divest themselves of state economic assets and service responsibilities, as portfolio equity investment.

Such principles were, of course, carried over into the Barcelona Process. Although official development aid continued through the MEDA² programmes, this was now primarily directed towards the process of easing the inevitably painful economic transition process inherent in the principles laid down in the new association

¹ In fact, textiles and textile goods were subject to voluntary restraint agreements in order to protect European producers, in a mirror-image of the wider Multi-Fibre Agreement which has just ended.

² The MEDA (Mésures d'Accompagnement) programmes. See Appendix I. See also http://www.europa.eu.it/europeaid/projects/med/forward_en.htm.

agreements that replaced the previous cooperation agreements. In principle, these differed from their predecessors only in two crucial respects; first, they made no provision for a change in the agricultural export regimes faced by southern countries and second, in addition to allowing for tariff-free access into the European market for industrial goods, they required reciprocal treatment from southern partner-states. The rationale was simple; the original hope of stimulating export-oriented growth inside those states by tariff-free access had not worked, partly because the industries concerned enjoyed protected status. Thus, the obvious answer was to promote economic efficiency and growth through competition with European products and producers.

Such an approach was, of course, based on prevailing conventional economic theory. Economic underdevelopment in the southern Mediterranean, as manifested by depressed gross domestic product (GDP) growth rates and growing unemployment, itself the consequence of burgeoning population growth and underdevelopment, was a consequence of inappropriately-allocated economic resources, leading to inherent economic inefficiency, as a result of unrealistic domestic pricing policies, themselves the consequence of economic protectionism. The solution, therefore, was to expose such economies to a chilling blast of real prices for economic resources, as established by world prices and by unfettered global competition. This in turn explains the demands of both the Washington Consensus and the European Union for the emphasis on export-oriented growth, the removal of tariff barriers, liberalisation of currency regimes, the removal of the state from the economic process and encouragement of foreign investment.

The situation was, in reality and in the planners' minds, far more complex, but this was undoubtedly the underlying rationale for the stringent policies of IMF-promoted economic restructuring that began in Morocco in 1983, were adopted voluntarily in Tunisia in 1987 and adopted under external pressure in Algeria after 1994. They also clearly informed the economic dimension of the Barcelona Process after 1995 and continue today to be the theoretical underpinning of contemporary policy. Those who designed the process were aware of the dangers and tried to reflect this awareness in the plans they proposed.

Thus, there were short-term fears of the negative effects in the southern Mediterranean of trade creation and trade diversion; aid was provided to help southern Mediterranean industrial sectors to prepare for the shock of competition,³ and attention was paid to the inevitable hub-and-spoke system that would develop out of the bilateral economic components of the multilateral Euro-Mediterranean Partnership. This was to be countered by the encouragement of integration of the southern economies into a single market that would then coalesce with the European Union into a Mediterranean Free Trade Area (MEFTA) by 2010. The Agadir Agreement is the first stage of that process of southern economic integration which should, incidentally, also form a zone capable of endogamous self-sustained economic growth.

³ In addition to the MEDA programmes, which were primarily bilateral in nature with a small horizontal funding component for regional projects (primarily designed to ease the shock of transition), there was also a soft loan facility through the European Investment Bank. Between 1995 and 1999 it committed 4.808 billion euros and plans to commit a further 6.4 billion euros between 2000 and 2007. It will also provide an additional 1 billion euros in transnational project soft loans during this period as well. See http://www.europe.eu.int/comm/external_relations/euromed/meda.htm.

Competitors and Disappointments

There are many questions that have been raised and are still to be raised about the underlying viability of the economic dimension of the Barcelona Process. Why, for instance, should there be an assumption of general economic growth as a result simply of the process of trade liberalisation, regardless of what economic theory might say? There are many internal constraints on such a process, not least the demand on southern economies to devote a significant proportion of their resources towards supporting economically inactive proportions of their populations which hampers growth prospects.⁴ Why should 'leopard-spot' economies not result from such unfettered competition, in which favoured sectors of national economies profit from their relationship with Europe whilst others collapse? Is 'trickle-down' really a vehicle through which such economic inequalities can be evened out?

Alternative models have appeared to challenge the holism inherent in the Barcelona vision. The United States, in its own version of 'soft power', has put forward two proposals designed to stimulate change, including economic development in the Mediterranean basin – the Broader Middle East and North Africa (BMENA) Initiative and the US Middle East Partnership Initiative (MEPI). The former received a cool reception at a conference in Rabat at the start of December 2004; however the latter, which began in 2002, is a far more elaborate affair. It has regional offices in Bahrain and Tunis and proposes an agenda of creating bilateral free trade areas with southern Mediterranean states, promoting democratic governance and respect for human rights, together with programmes for educational reform and empowerment of women, all on a bilateral basis.

Admittedly, such programmes have minimal funding compared with the Barcelona Process, with its annual commitment of something approaching 2 billion US dollars annually in aid and soft loans. On average, MEPI receives about 100 million US dollars a year, but is being actively promoted and already Jordan, Morocco and Tunisia have signed free trade area agreements with the United States. Moreover, these agreements are not limited to industrial goods, as is the case (at least to date) with the European Union, but also include agricultural exports. Such an inclusion may have dramatic adverse social consequences in terms of indigenous agriculture which cannot compete over, for example, cereal production thus forcing peasant producers out of business and worsening the micro-economic and social crisis and promoting further economic migration into Europe.

Although formally Europe professes not to be disturbed about such developments it is noteworthy that the Commission soon developed a new Neighbourhood Policy, ostensibly to cope with the problems relating to the eastern European periphery, particularly to future relations with countries such as Ukraine. This was first put forward in late 2003 and, in essence, proposed that such countries could engage in a programme with the European Union which would eventually entitle them to the full benefits of membership of the European single market - although it did not extend to EU membership and thus did not provide participation in the Union's decision-making, administrative and executive processes. It did involve a system of positive

⁴ The World Bank calculates that such economies need growth rates of between 5 and 7 per cent per year to counter the demand for services. The Middle Eastern and North African economies have historically had growth rates of between 1.4 and 2.1 per cent per year. In 2002 the average growth rate was 2.5 per cent and future projections suggest a best-case scenario of 3.2 per cent. World Bank, *Global Economic Prospects 2003*, Washington, DC.

conditionality, allowing participant countries to choose from a menu of 133 requirements to determine the level of participation, with some of these requirements being political in nature.

Inevitably, as part of Europe's policies towards its periphery, the same offer was eventually made to the southern Mediterranean states as well, in the form of the ENP. The ENP seems to be a response to the American MEPI proposals but runs across the EMP as well. Of course, officially, the two policies are said to complement each other but it is difficult to see how this can be the case, since both deal with the economic relationship between Europe and the southern Mediterranean region but one does so in an holistic, multilateral context, having express objectives in this sense, whilst the other offers southern Mediterranean states the opportunity for bilateral relationships as well.⁵ The danger here is that the ultimate benefits of the Barcelona Process depend on southern market integration, in order to create a self-sustaining endogamous economic zone that can generate the internal investment it needs and thus counter the hub-spoke relationship inherent in bilateral links between individual states and the EU. The ENP is thus a prescription for perpetual dependence of southern economies on the European Union, rather than for their eventual release into self-sustaining growth – the promise of the Barcelona Process.

The Investment Dilemma

Given this plethora of relationships, it is perhaps not surprising that there is little evidence of the early promises and hopes of the Barcelona Process being fulfilled. What had been a plan – rightly or wrongly conceived – to achieve economic development through private sector activities based on a free market model has now been heavily bureaucratized. The management of the Euro-Mediterranean Partnership depends on complex committees of diplomats and bureaucrats dependent on national governments and the European Commission, so that transmission of their decisions to the private sector is mediated through governmental structures. This seriously hinders effectiveness and delays the crucial decision-making process designed to improve economic efficiency. Worse still, the whole issue is in danger of becoming the object of political and diplomatic challenge – hardly the best environment for effective economic development – even though considerable sums of official aid and soft loans are involved. Yet this is not really the crisis facing the Mediterranean in its search for viable economic development. The answer to that lies in a far simpler issue, which lays at the heart of the Barcelona Process but is often overlooked in the planning and inter-governmental interactions that now dominate it. It is the simple issue of the failure of private investment to reach anything like the amounts expected. Indeed, much of the potential domestic investment has leaked away through capital flight into more profitable environments in Europe and the United States.

⁵ According to the 2004 Annual Report on the European Community's development policy and external assistance (p. 86), New Neighbourhood Programmes will receive 45 million euros from the MEDA budget for the three indicative programmes already in operation in the southern Mediterranean (with Jordan, Tunisia and Morocco) and, as of 2007, the New Neighbourhood Policy will have its own budget. The MEDA Programme itself distributed 600.3 million euros during 2003, from a total budget of 1,402.47 million euros for 143 projects and programmes.

Stock of Capital Flight by Country - North Africa and Eastern Mediterranean (US\$ bn)

	1980 - 1985	1986 - 1990	1991 - 1995	1996 - 2000	2001 - 2002
Algeria	17,7	25,7	29,1	29,7	22,7
Egypt	27,9	41,8	32,1	30,9	30,0
Jordan	2,8	6,5	8,1	7,5	7,8
Morocco	12,6	21,5	22,8	23,0	19,0
Tunisia	4,0	6,8	9,2	11,2	11,8
Turkey	21,0	41,2	63,2	96,3	122,5
MPC	85,9	143,5	164,5	198,6	213,7

Source: European Investment Bank, 2005

Politicians in the region anticipated that, once the economic structures had been created, private investors would flock into the southern Mediterranean countries to seize the new market opportunities that had been created. This in turn would generate the essential employment – the problem that lies at the nub of European security concerns – and thus soak up the excess population in the North African and Middle Eastern region. It would also contribute to the general picture of economic development and thus further encourage foreign investors as a virtuous investment circle was created. Indeed, a large part of the legal reform that has taken place in the region has been dedicated to creating conditions which would promote such developments.

The problem is simply that this has not occurred. On average, southern Mediterranean states have received around half of the foreign investment that they had expected and, despite wide-ranging privatisation plans throughout the region, the majority of such investment has been in the form of direct investment, not in the form of portfolio equity investment – which had been expected to form an ever-increasing proportion of private investment flows as investors moved into the domestic financial markets that were to be created as drivers for growth. Furthermore, even when investment in the oil sectors of the oil-rich states in the region is included, the investment picture is little improved and such investment has done little to stimulate non-oil investment or economic development. There has, in short, been little evidence of the ‘virtuous circle’. Even more striking, in 2002, less than 1 per cent of investment flows to developing countries went to the Middle East and North Africa.⁶

The causes of these failures to attract foreign investment have been examined in an earlier article,⁷ which suggested that there were certain generic problems hindering the investment process in the region. These included issues such as security of contract and, in the context of oil-based investment in particular, the danger of the ‘obsolescing bargain’. Outside these areas, there are concerns about political stability and the legal environment in which investment can be made. They relate to the stability of the rate-of-return that an investor may enjoy, rather than to the maximum

⁶ Out of total net flows to developing countries of 170 billion US dollars in 2000 and 2001 and 145 billion US dollars in 2002. World Bank, *Global Economic Prospects 2003*, Washington, DC.

⁷ G. Joffé, ‘Foreign Investment and the Rule-of-Law’, in A. Vasconcelos and G. Joffé (eds), *The Barcelona Process: Building a Euro-Mediterranean Regional Community*, London, Frank Cass, 2000, pp. 33-49.

benefits that may accrue and underline the fact that investment is usually a long-term process in which the investor anticipates a lengthy relationship in which the investment is made.

Interestingly enough, this picture is altered as portfolio equity investment begins to make up a more substantial component of the overall investment picture, as such investment is far more liquid than direct investment. Such concerns are particularly important in the context of loan investment, where international banking institutions are involved in investment decisions, for such investment tends to be far more volatile, as the 1997 economic crisis in southeast Asia demonstrated. Conversely, maximising rates-of-return in such circumstances tends to be prioritised over the question of stability of return, as is usually the case in the southern Mediterranean region.

In fact, in many respects the concerns that were behind investment failure in the southern Mediterranean in the 1990s have become less important today. Thus, the latest good governance indicators produced by the World Bank may well underline multilateral concerns about what has come to be known as the 'Second Washington Consensus'⁸ in which governance and transparency are seen as the key drivers of investment, but they do not illuminate the real problems behind the southern Mediterranean investment failure. Instead, they have been overtaken by other concerns, such as the economic environment in which investment takes place as well as the socio-political context. Therefore, factors such as appropriate physical infrastructure and the human resource-base have become important considerations in the process of determining investment direction. In this respect, the 2003 Arab Human Development Report provides acute insight into the reasons why the southern Mediterranean region has proved to be such an unattractive investment destination.⁹

The real problem, in its widest sense, is that the region offers no comparative advantage to attract investors, outside the oil and gas sector – and that brings with it the problems of rentierism, the 'Dutch Disease' and 'oil curse'. It is too small in terms of both opportunities and its indigenous resources to attract the interest of the international investor. It is excluded by the increasing demands of the globalised financial system that is developing. Investment prospects in the southern Mediterranean are hardly likely to meet the requirements of the Basel-2 Capital Requirements Directive – in ways that opportunities in the Far East or in Latin America do – or guarantee the rates-of-return which that would imply. Financial institutions are simply too small and structures are too primitive to meet the demands of the contemporary world.

There are two problems. The first is that the assumed link between economic governance and economic growth is not always the key that it is described to be – primitive accumulation of capital is still the essential first stage before the manner in which it is exploited becomes a dominant issue. There is simply too little investment to drive development, so that the ways in which it is used is not a dominant concern, although of course, corruption and capital flight hinder development in principle. Alongside this is the fact that the environment for the foreign investor is too

⁸ The 'Good Governance Indicators' for 209 countries were published by the World Bank at the start of May 2005. They cover six indicators per country – rights, political instability and violence, government effectiveness, regulatory burden, rule-of-law and corruption. The Second Washington Consensus prioritises openness, transparency and accountability over purely economic criteria.

⁹ United Nations Development Programme, *Arab Human Development Report 2003*, New York, United Nations Publications, 2004.

unattractive because of problems of comparative advantage and returns, besides issues of corruption and governance. The second problem is that the physical and human infrastructure that encourages investment by creating an appropriate environment to ensure stable and adequate returns is absent.

The southern Mediterranean lacks the communications and telecommunications systems that private investors seek – and private investment itself sees no reason why it should make up the deficiency. Once again, available rates-of-return and market size discourage this, not to mention the political environment in which investment would take place. EU 'horizontal funding' is designed to counter this deficiency and encourage the development of infrastructure but it is quite inadequate for the task. The same is true of national educational systems which are still not adapted to the demands of a modern economy, although reform is now beginning. Yet, once again, the restrictions on the ability of the state to accumulate investment for these purposes as a result of the basic thesis on which the Barcelona Process and similar initiatives – including those designed by the United States – are based hamper any effective response. Thus, human infrastructure and capital cannot respond to the demands made upon it by economic modernisation.

In such circumstances, it seems impossible for the fundamental assumption behind the EU's policies to be met. Private investment cannot become the driver of either the Partnership or the European Neighbourhood Policy, at least not yet. Physical and human infrastructure must be revived and reconstructed; the private sector will not do as it can find better investment opportunities elsewhere. That leaves only the public sector or the EU itself as the source of the investment that is needed and of the direction that will be essential. There is little point in expecting oil and gas revenues to fuel such a process and it seems inevitable that official external support will be essential if a real solution is to be found. It remains to be seen if the European Union will be able to rise to this unpalatable challenge as the EMP celebrates its tenth anniversary.

Appendix 1

The MEDA Funding Programmes

Millions of euros	MEDA I (1995-1999)			MEDA II (2000-2003)			MEDA I and II (1995-2003)		
	commitments	disbursements	%age	commitments	disbursements	%age	commitments	disbursements	%age
Bilateral funding									
Algeria	164.0	30.2	18.40	181.8	32.7	18.0	345.8	62.8	18.17
Palestine	111.0	54.0	48.65	277.8	234.3	84.3	388.8	288.3	74.55
Egypt	686.0	157.1	22.91	194.5	209.5	107.7	880.5	366.6	41.64
Jordan	254.0	108.4	42.67	169.4	192.0	113.3	423.4	300.4	70.94
Lebanon	182.0	1.2	0.66	55.7	62.5	112.2	237.7	63.7	26.81
Morocco	656.0	127.6	19.45	525.3	285.3	54.3	1,181.3	412.9	34.95
Syria	99.0	0.0	0.00	82.7	20.8	25.1	181.7	20.8	11.44
Tunisia	428.0	168.0	39.25	306.6	243.7	79.5	734.6	411.7	56.04
Total bilateral	2,580.0	646.5	25.06	1,793.8	1,280.8	71.4	4,373.8	1,927.3	44.06
Regional funding	480.0	228.8	47.66	560.1	304.0	51.5	1,070.1	532.8	49.79
Total funding	3,060.0	875.0	28.60	2,383.9	1,584.8	66.5	5,443.9	2,460.1	45.19

Source: MEDA Programme; Europe Aid

Appendix 2

(1) Direct Investment

<i>Billions of</i>	2001	MED-9	MED-12	2002	MED-9	MED-12
Flows	Inflow	0.4	1.2	Inflow	0.7	0.6
	Outflow	1.5	3.2	Outflow	1.3	4.0
	Balance	1.1	2.0	Balance	0.6	3.4
Stocks	Inward	4.1	7.9	Inward	4.6	8.5
	Outward	15.0	26.5	Outward	16.9	30.5

- MED-9: Morocco, Algeria, Tunisia, Palestine, Egypt, Jordan, Israel, Lebanon and Syria.

- MED-12: All the above-mentioned states plus Turkey, Malta and Cyprus.

- There are no statistics included in these figures for Palestine.

Note: In 2002, the MED-12 group provided 0.7 per cent of the Union's inflows of direct investment and absorbed 3.07 per cent.

(2) Trade in Services

<i>Billions of</i>	2001	MED-9	MED-12	2002	MED-9	MED-12
Imports		13.1	20.4	Imports	11.3	19.3
Exports		11.5	14.2	Exports	10.4	13.4
Balance		-1.6	-6.1	Balance	-0.9	-5.9

Note: In 2002, the MED-12 group provided 6.31 per cent of the Union's imports of services and absorbed 4.09 per cent of its services exports. The MED-12 group represented 5.2 per cent of the Union's total trade in services, compared with the MED-9 at 3.5 per cent, America at 37.5 per cent, Switzerland at 11.2 per cent and Japan at 4.5 per cent.

(3) Trade in Goods

<i>European Union</i>	1980		1990		2002	
	MED-9	MED-12	MED-9	MED-12	MED-9	MED-12
Billions of						
Imports	13.0	14.7	20.3	27.7	43.0	66.3
Exports	17.8	20.9	24.0	34.7	50.2	80.2
Balance	4.8	6.3	3.7	7.0	7.3	13.9
Share in European Union total (%)						
Imports	4.6	5.2	5.0	6.9	4.3	6.8
Exports	8.4	9.9	6.8	9.8	5.0	8.0

Note: MED-12 trade with the European Union grew on average by 7.14 per cent per year between 1980 and 2002. The MED-12 group generated 6.75 per cent of the Union's imports in 2002 and absorbed 8.04 per cent of its exports.

World	1980		1990		2002	
Billions of	MED-9	MED-12	MED-9	MED-12	MED-9	MED-12
Imports	30.6	32.1	62.2	65.7	164.2	176.0
Exports	24.0	24.6	41.4	43.0	113.4	123.2
Balance	-6.6	-7.5	-20.8	-22.7	-50.8	-52.8
Share in European Union total (%)						
Imports	2.3	3.0	2.2	3.3	2.1	3.3
Exports	2.2	2.4	1.6	2.3	1.7	2.5

Note: The southern Mediterranean's trade dependence on Europe has not lessened significantly in recent years, indeed, if anything, it has increased. In 2002, 30.57 per cent of MED-9 imports and 45.57 per cent of MED-12 imports came from the European Union which also absorbed 26.18 per cent of MED-9 and 53.81 per cent of MED-12 exports.

(4) Trade by Commodity

Billions of	Agricultural Produce	Energy	Machinery	Transport Materials	Chemicals	Textiles
MED-9						
Imports	3.0	16.4	3.8	0.8	2.6	7.0
Exports	4.5	1.1	12.3	5.8	6.7	4.7
Balance	1.5	-15.3	8.5	5.0	4.1	-2.3
MED-12						
Imports	5.3	16.6	7.3	4.2	3.1	16.3
Exports	6.4	2.0	21.6	10.3	11.9	6.4
Balance	1.1	-14.6	14.3	6.1	8.8	-9.9

Sources: www.trade-info.cec.eu.int/doclib/docs/2004/fed/tradoc_113276.xls
www.trade-info.cec.eu.int/doclib/docs/2004/fed/tradoc_113468.xls

Chapter 3

EMP Approaches to Human Rights and Democracy

Roberto Aliboni

This chapter focuses on the Euro-Mediterranean Partnership's policy to promote democracy and human rights and examines how this policy might be strengthened and improved after ten years of not entirely satisfactory, indeed mostly disappointing, efforts. To this end, the chapter considers, first, the most important current EMP initiatives relating to democracy and human rights promotion; second, how the implementation of these policies might be made more effective; and third, how the European Union's overall policy framework impacts upon specific democracy and human rights policies.

Policy Instruments

The purpose of promoting democracy and human rights is stated clearly in the Barcelona Declaration. This Declaration points to a number of specific human rights mechanisms that are to be implemented by EMP partners. The same purpose is elaborated in less detail in the association agreements, although Article 2 of each of these agreements again clearly states the basic commitment to democratic reform. Many policy instruments are geared to the purpose of promoting democracy and human rights in the EMP, at the EU's initiative, or that of all partners.

Conditionality

During the past ten years, the EU has not imposed democracy-related conditionality on Arab states. Trade and aid benefits have not been withdrawn in response to authoritarian practice. Positive, or rewards based conditionality has also been weakly implemented, essentially because rewards have coincided with the opportunities the EMP as such is supposed to provide: rewards, that is, have been linked to and seen as a result of the very implementation of the EMP. It is well known that positive conditionality has worked effectively in the context of EU enlargement, where it was backed by the prospect of being included in the Union. The EU cannot offer the same perspective to its southern partners, nor does it seem likely that the latter would be willing to enter the EU as full members anyway. In fact, one may doubt that they have even sought a truly privileged political relationship with the EU. Positive conditionality in the EMP has proved very thin because the dynamics of inclusion have also been weak.

However, the introduction of the new European Neighbourhood Policy (ENP) might strengthen the use of positive conditionality.¹ On the one hand, the 'deeper integration' offered by the ENP is judged by proponents to be sufficient to act as an incentive for reforms in southern partners. In particular, what could prove attractive to most southern partners is the granting of the free movement of persons, in addition to freedom in the movement of goods, services and capital, as these four freedoms are at the heart of the ENP agenda. On the other hand, the ENP offers the possibility of enhanced cooperation, which promises a considerable increase in the flow of resources, contingent upon partners complying with the objectives stipulated with the EU.

¹ See European Commission, *Wider Europe-Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours*, (Communication from the Commission to the Council and the European Parliament) COM, 2004, 104, 11 March 2003; and European Commission, *European Neighbourhood Policy – Strategy Paper*, (Communication from the Commission to the Council and the European Parliament) COM, 2004, 373, 12 May 2004.

Such stipulation is to take place bilaterally, between the EU and each partner state individually, by means of action plans, a new instrument introduced by the ENP. Besides planning economic policies to be pursued jointly with the financial assistance of the EU, the action plans are designed to provide a common platform for political reform. Prior to their implementation, action plans are negotiated by the two parties within the framework of what the ENP terms a 'reinforced political dialogue'. The plans include a number of benchmarks negotiated and agreed upon by the parties in the course of the reinforced political dialogue, with a view to monitoring the process towards the implementation of such reforms. Monitoring and assessment are to take place jointly on the basis of the principle of co-ownership. The outcome of this exercise will affect the continuation of the plan. Every three years or so, the parties are to draw up a balance sheet. If the result, as measured by the benchmarks, is satisfactory, the flow of resources to the partner will be increased. The current request of the Commission to EU member states is for a considerable increase in funds for the period 2007-2013, when MEDA and the other funds (relating to eastern Europe) will merge into a single financial instrument, the European Neighbourhood and Partnership Instrument (ENPI) – although the fate of this proposal is now tied in with debates over the budget in the wake of the French and Dutch rejection of the Constitutional Treaty. The proposed mechanisms are expected by EU officials to work as a strong form of positive conditionality.

Indirect Policies

Additionally, the EU has implemented policies regarded as more indirectly fostering democracy and human rights, that is, those that promote assistance to sectors of society that are expected to play an important role in the development of democracy and protection of human rights. While the basic concept of the EMP posits a reinforcing linkage between its varying dimensions (so that – the argument runs - economic assistance is said to be indirectly geared to promote democracy by fostering good governance, which in turn is expected to promote further economic development, and so on), some policies may be regarded as more instrumental than others to promoting democracy. Five main categories of policies directed at creating an environment conducive to fostering democracy and human rights can be identified, namely policies promoting (a) good governance; (b) the rule of law; (c) exchanges and mobility between individuals and groups of the partner countries; (d) information flows between individuals and people on the two sides of the Mediterranean; and (e) cultural and religious dialogue, which had been an important and sensitive issue in previous policies.

Good governance and the rule of law are proxies to democratic practices and values. Many different types of joint activity may be an opportunity to introduce good governance and the rule of law in southern partners' domestic frameworks. However, these reforms are promoted mostly through economic and financial cooperation. The ENP, by aiming towards a process of deeper integration in which the rules of the EU single market will have to be adopted by southern partners, is expected to convey a good deal of good governance to the latter.

The rule of law is promoted in the EMP through the programme set out by the 2002 Valencia Action Plan. This plan brings together the strengthening of judicial institutions, the fight against illicit trafficking, organised crime, terrorism and illegal

migration. It has given rise to a MEDA 'Justice, Freedom and Security Programme'. Out of the three projects launched by this programme, one concerns the rule of law alone. It is referred to as a programme on 'justice' and is aimed at 'creating an inter-professional community of magistrates, lawyers and clerks in the framework of an open and modern justice service, strengthening the rule of law and the effective implementation of human rights'.²

During the 1990s, policies promoting exchanges and mobility were important through decentralised cooperation programmes. These programmes were subsequently cancelled and such policies have recently received less attention. Examples are provided by the extension to the southern Mediterranean countries of the EU Tempus programme and EuroMed Youth. A good example of policies promoting information flows is the EuroMed Audiovisual programme. The category relating to cultural and religious dialogue includes, among other activities, the EuroMed Heritage programme and the Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures.³ Most efforts are devoted to cultural and interfaith dialogue, which is perceived by elites on both sides of the Mediterranean as a key challenge for the future. The Prodi Commission promoted a report by experts on how to strengthen Euro-Mediterranean cultural dialogue, which has generated significant recommendations.⁴

All these policies have the task of addressing and mobilising partner countries' civil societies. By so doing, they are expected to ensure a powerful, bottom-up dynamic for promoting political reform and change from inside, although such change is not to be expected in the short-term.

Democracy and Human Rights Assistance

Civil society is also targeted by a third policy instrument considered here: the funding of initiatives specifically directed at fostering democracy and human rights in the southern Mediterranean partner countries. The European Initiative for Democracy and Human Rights (EIDHR) is a fund aimed at providing grants to international, regional and, in particular, non-governmental organisations (NGOs) to strengthen democratisation, good governance, the rule of law and human rights. In addition to these broad aims, the EIDHR envisages three more specific thematic priorities: abolition of the death penalty; the fight against torture and impunity and support for international tribunals and criminal courts; and combating racism and xenophobia and discrimination against minorities and indigenous peoples. The EIDHR is the EU instrument that is most directly aimed at promoting and assisting democracy and human rights.

The EIDHR is derived from a 1994 European Parliament initiative and, for a while, incorporated the MEDA-Democracy fund, which was a line within the wider MEDA budget. MEDA-Democracy was subsequently included within the EIDHR. The

² See European Commission, *Regional and Bilateral MEDA Cooperation in the Area of Justice, Freedom and Security, Justice and Home Affairs in the Framework of the Valencia Action Plan*, (Information Note prepared by the EuropeAid Cooperation Office in collaboration with the Directorate General for Justice, Freedom and Security), in *EuroMed Reports*, no. 86, 1 March 2005.

³ See Chapter 4 of this volume by Michelle Pace.

⁴ *Dialogue between Peoples and Cultures in the Euro-Mediterranean Area*, a report by the High Level Advisory Group established at the initiative of the President of the European Commission, December 2003.

distinctive feature of the EIDHR is that it negotiates most of its grants directly with southern Mediterranean NGOs without any governmental intervention or participation.

The EIDHR funds global and regional projects. Its consolidated programming for 2004⁵ contemplated seven global projects – implementation of human rights instruments; the death penalty; torture prevention and rehabilitation; support for victims of human rights violations; international tribunals and the International Criminal Court; protection of indigenous peoples; and the establishment of a non-governmental conflict prevention network. It also included a number of projects related to regions, including the Middle East and the Mediterranean. Larger projects, exceeding 300,000 euros, were supported in so-called ‘focus countries’, which included Israel, the West Bank and Gaza, Algeria and Tunisia. Micro-projects, of less than 100,000 euros, funded ‘small-scale human rights and democratisation activities carried out by grassroots NGOs’. The EIDHR also funds ‘targeted projects’ that are identified on a case-by-case basis by the Commission. Finally, the EIDHR is also assigned the task of funding election assistance and observance.

In 2004, the EIDHR budgeted 132.63 million euros, of which 14.15 million were devoted to the Middle East and the Mediterranean (3.72 million to regional projects; 10.43 million to focus country projects and micro-projects). If the Commission’s current (autumn 2005) proposals are accepted, the resources that EIDHR currently channels to the Mediterranean partners will be incorporated into the ENPI after 2007, that is, they will become part of the overall ENP framework. Meanwhile, democracy and human rights assistance within the framework of the emerging action plans will be funded through MEDA.

Under different budget lines, the Commission is also funding two networks of Euro-Mediterranean institutes, EuroMeSCo and Femise, which deal with international security and international economic relations, respectively. While EMP governments employ the work undertaken by these networks as support for their deliberations and see them primarily as partnership- or confidence-building measures, the networks are primarily part of the endeavours aiming at integrating Euro-Mediterranean civil societies and can also be regarded as a kind of indirect democracy assistance policy.

Assessing Policies

How effectively is this set of policies working in promoting democracy and human rights? The ten-year outcome is not entirely satisfactory.

First, the operation of all these policies has been uncertain. To some extent, the focus shifted from human rights to broad political reform only after 11 September 2001 (9/11). EU public opinion remains more sensitive to human rights – or at least to the issues it believes to pertain to basic human rights. Governments and EU elites are more aware than public opinion of the importance of political reform. Furthermore, they have to account for the role that reform is assuming in transatlantic and international

⁵ The consolidated EIDHR programming for 2004 is the result of the amendments made by the European Parliament in mid-December 2003 to the updated programming the Commission had approved on 1 December 2003. Both the updated and amended programming are published on the EIDHR website http://europa.eu.int/comm/europeaid/projects/eidhr/index_en.htm. The figures quoted in the paper are those quoted by the document reporting the amendments, pp. 6 & 11, (23 August 2004).

relations. In day-to-day management of these policies, governments focus in practice on human rights,⁶ however, because this is what their public opinion for the most part is expecting. Human rights overlap significantly with democracy. The fight for human rights in the framework of undemocratic regimes is at best a case-by-case and fragmented endeavour; a more enduring political solution consists of the establishment of democracies, which will be more attentive to human rights by definition. EU governments' clear tendency is to be conscious of the need for democracy in the long-run, but to pay more attention in the short-run to human rights and the consensus these enjoy in their respective polities. In short, human rights have received more attention than democracy and this has made the policy agenda inconsistent. What is the EU really willing to do? Clearly, the point is not that human rights policies have to be downgraded but that democracy promotion policies, as a whole, must be upgraded and better articulated and structured.

Second, the EU has not applied negative conditionality to EMP Arab partners. This is not the result of EU governments' incompetence. To some extent, conditionality has not been applied because southern European governments have been more concerned than their northern counterparts of the consequences the emerging religious radicalism might have on their security. In fact, during the 1990s all Western countries acted on the basis of a very simplistic perception of Islamism and shared the sense that Islamist governments would have been worse for the West than existing authoritarian regimes. They all shared the assessment made by Edward Djerejian – then US undersecretary of state – about what a FIS victory in Algeria's 1991 elections would have meant: 'one man, one vote, one time'. The reasons negative conditionality has not been applied in the EMP cannot be attributed to southern Europe alone. They conditioned the whole range of relations between the West and the Middle East and North Africa, as well as those more narrowly between the EU and the Mediterranean.

As perceptions of the region have changed, some greater consideration has been given to the use of conditionality. However, since 9/11 other, no less adverse conditions have prevailed. It is certainly the case now that the West appears to differentiate more between different types of Islamist groups. Most people are convinced that moderate Islamist groups have to be integrated into the overall domestic political process. Western support to authoritarian regimes has become less strong. However, these new perceptions are still far from being reflected in concrete strategies. In particular, stability remains a central concern in Western policies and continues to militate against applying conditionality.

However, sluggish perceptions are only part of the explanation. Clearly, trying to combine (either negative or positive) conditionality with the principle of inclusiveness raises a real challenge. The link between conditionality and inclusion can be interpreted in two main ways:

- a) Conditionality can be applied only within the framework of a shared process of political reform; it is only in such a framework that it acquires legitimacy and is accepted by governments and public opinion alike. In this sense, any leverage eventually provided by negative conditionality stems from the existence of some common ground between the parties. This is the lesson of the role played by

⁶ See Richard Youngs, 'Europe's Uncertain Pursuit of Middle East Reform', *Carnegie Papers*, no. 45, Washington, DC, June 2004, p. 11.

conditionality in the EU enlargement towards eastern European countries, in contrast to its poor performance in the EMP;⁷ and

- b) For conditionality to exert leverage, rewards must also be increased. This second interpretation is at the heart of the ENP's philosophy.⁸ In a well-known phrase stated by the then president of the Commission, Romano Prodi, neighbours would be offered 'everything but the institutions'. The substantive benefits on offer under the ENP are presented as being generous enough to offset the lack of formal membership of the Union and convince southern partner governments to introduce domestic political reform. On this point, some observers are sceptical. In general, according to Richard Youngs, 'EU policy-makers themselves acknowledge that the scale of 'rewards' so far being contemplated is unlikely to provide an incentive for Arab governments to acquiesce to far-reaching change'.⁹

Nathalie Tocci,¹⁰ Michael Emerson and Gergana Noutcheva¹¹ have pointed out that ENP language on negative conditionality vis-à-vis specific steps and engagements has been watered down under 'heroic' assumptions relating to co-ownership and value-sharing. The broad assumption seems to be that positive conditionality will be activated by mutual agreement under the action plans, and rooted in the existence of a common ground that is expressed in turn by the principles of co-ownership and value-sharing. This, as argued below, is an overly generous assumption. The common ground that includes democracy and human rights should be understood not as the starting point but rather the destination. The use of negative conditionality is necessary along the road, in relation to specific and medium-term goals. In other words, the ENP shift to positive conditionality is likely to prove insufficient.

A third limitation is that budgets for democracy and human rights assistance have been very limited. If indirect policies are also taken into consideration, the amount of resources flowing from the EU to southern Mediterranean countries to promote democracy and human rights is considerable. However, direct democracy and human rights assistance has been far from significant.

This point has been much stressed by analysts. However, one can wonder whether a larger amount would be sustainable. Would the EIDHR be able to disburse a significantly larger amount of resources? Would the necessary amount of projects be available? Currently, the response to these questions would probably have to be negative. This constraint affects not only EU programmes to assist bottom-up democracy and human rights promotion, but also other important bilateral programmes, such as those of the United States. If one considers the kind of projects and NGOs these agencies are able to fund, it is clear that they are only very partially in touch with southern Mediterranean regional and national realities. It has been

⁷ See Nathalie Tocci, 'Does the ENP Respond to the EU's Post-Enlargement Challenges?', *International Spectator*, no. 1, 2005, pp. 21-32; and see also pp. 25-26.

⁸ See Tobias Schumacher, 'Riding on the Wind of Change: The Future of the Euro-Mediterranean Partnership', *International Spectator*, no. 2, 2004, pp. 89-102; Raffaella A. Del Sarto and Tobias Schumacher, 'From EMP to ENP: What's at Stake with the European Neighbourhood Policy towards the Southern Mediterranean?', *European Foreign Affairs Review*, vol. 10, no. 1, spring 2005.

⁹ Richard Youngs, 'Ten Years of the Barcelona Process: A Model for Supporting Arab Reform?', *FRIDE, Working Paper* no. 2, Madrid, FRIDE, January 2005.

¹⁰ N. Tocci, *op. cit.*, pp. 26-27.

¹¹ Michael Emerson and Gergana Noutcheva, 'From Barcelona Process to Neighbourhood Policy. Assessment and Open Issues', *CEPS Working Document*, no. 220, March 2005, p. 16.

noted that Islamic NGOs are not present in the programme, and it is unlikely that most of them would accept an invitation to participate.¹² The broad political orientation of EU – and Western democracy and human rights promotion policies are rather unilateral and remain far short of assuming a comprehensive vision of reform. As a consequence, programmes in practice remain directed at Western-style NGOs. This is confirmed by the fact that southern Mediterranean NGOs accepting to cooperate with Western programmes perceive a sense of interference and often experience problems in loco with more nationalist and religious NGOs.¹³

Furthermore, EU programmes – as other Western programmes – have to walk a tightrope between enhancing cooperation and political dialogue with southern Mediterranean governments, on the one hand, and supporting more or less vocal or explicitly oppositional groups, on the other. This problem results from a central political issue, namely the identification of a consistent political agenda to allow for the transition from authoritarian regimes to democracies without imposing change or having a destabilising effect. In sum, the problem is less with the EIDHR, and the volume of resources at its disposal, than with its very rationale and modes of democracy and human rights promotion.

Last, but not the least important, is the role of indirect policies to promote democracy and human rights. What is relevant here is not so much the intrinsic merit of these policies, but whether they really are effective with respect to their purported effect on democracy and human rights. Do indirect policies really contribute to democracy and human rights promotion, and can we conclude that their impact is greater than that of direct policies?

The Anna Lindh Foundation is a significant step in the endeavour to enhance cultural relations. However, governments are in fact accorded the primary role in the Foundation's statute, and the initiative is unlikely to strengthen the role of civil societies. More importantly, the Foundation – as is also the case with the entire EMP concept of cultural dialogue – seems more concerned with protecting existing cultural heritage than with promoting new common cultural trends. Its statute points out that cultural diversity is as important as biodiversity and must be preserved. It seems that the Foundation has been given a conservative rather than innovative mandate, aimed at museums rather than forward-looking workshops. The real challenge in the Euro-Mediterranean area is to supersede such traditional cultures and make room for new layers of transnational culture.¹⁴ The conservative interpretation of culture plays into

¹² Richard Youngs, *Europe's Uncertain Pursuit of Middle East Reform*, op. cit.; Tamara Cofman Wittes, 'The Promise of Arab Liberalism', *Policy Review*, June-July 2004, no. 125, (Cofman Wittes makes remarks on the US democratisation policy agenda very similar to those reported by Youngs on the EU).

¹³ See M. Kamel Al Sayyid and H. J. Steiner (eds), *International Aspects of the Arab Human Rights Movement. An Interdisciplinary Discussion Held in Cairo in March 1998*, organised by the Human Rights Program of the Harvard Law School and the Centre for the Study of Developing Countries at Cairo University, Cambridge, MA, Harvard Law School Program, 2000. Available at <http://www.law.harvard.edu>.

¹⁴ A forthcoming article by the executive director of the Anna Lindh Foundation, Traugott Schöffthaler, 'From Dialogue to Hospitality and Cooperation. Programme and Objectives of the Euro-Mediterranean Foundation', *Quaderns de la Mediterrània*, no. 6, Barcelona, autumn 2005, gives the correct interpretation of the dialogue of cultures by stating that it 'is essentially a dialogue between human beings, not between anonymous cultural entities'. This chapter's author does not believe that the concept expressed by the Foundation's executive director is in accordance with the intentions of the 35 participating governments in the Foundation's establishment and implementation.

the hands of both regimes and conservative Islamists. It hinders rather than helps the indirect approach to promoting democracy and human rights.

Beyond these specific initiatives is the broader and vitally important question of whether indirect policies as such can really help promote democratisation. With their essentially cooperative character, indirect policies are consistent with the EU 'civilian power' identity and also with the consequent limitations to the EU common foreign and security policy. With respect to more traditional international policies, EU indirect policies can at best impact in a limited fashion and over the long-term. The problem, however, is less with the policies than it is with the EU itself; such policies could be made more effective to the extent that EU institutional and political cohesion increased. Undoubtedly, the new Constitution, which will now almost certainly not be ratified, would have upgraded the CFSP and, thus, have made indirect policies more effective.¹⁵

A further argument in favour of indirect policies stems from the rationale underlying EMP-type regional cooperation schemes in international relations. While the EMP does not match the theoretical requirements of a security community,¹⁶ some authors argue that the EMP format is functional to tempering problems associated with globalisation by increasing 'transnational policy coordination' and reducing imbalances between northern and southern partners by means of a process of deep socialisation.¹⁷

From this perspective, indirect policies are recognised to be aimed at the long term but are seen as instrumental to socialisation already in the short-term. By facilitating socialisation, these policies contribute to establishing a sense of solidarity and partnership that, from a functional perspective approximates to a fully-fledged security community. Some authors argue that the EMP has begun to make transitional steps towards being such a community.¹⁸ Whatever one's theoretical perspective, the EMP has certainly been significant in increasing transactional flows in a process very similar to that within Deutschian communities. For this reason, indirect policies, with all their shortcomings, are an important factor in EMP relations and can significantly contribute to transmitting, among other things, values relating to pluralistic patterns of political organisation on the southern side of the Mediterranean. This is not to argue that indirect policies can become a substitute for direct policies; both direct and indirect policies are badly needed and must be improved.

An Overall Policy Framework

Upgrading and improving EMP policies for promoting democracy and human rights depends crucially on the EU's overall policy framework in the Mediterranean. It is this overall policy framework that may provide coherence and effectiveness to the more specific policy instruments considered above.

¹⁵ International Crisis Group, 'EU Crisis Response Capability Revisited', *ICG Europe Report*, no. 160, 17 January 2005.

¹⁶ Emanuel Adler and Michael Barnett, 'Security Communities in Theoretical Perspective', in E. Adler and M. Barnett (eds), *Security Communities*, Cambridge, Cambridge University Press, 1998, pp. 3-28.

¹⁷ See Fulvio Attinà, 'The Euro-Mediterranean Partnership Assessed: The Realist and Liberal Views', *European Foreign Affairs Review*, vol. 8, 2003, pp. 181-199, who illustrates the varying theoretical approaches to explain the EMP rationale.

¹⁸ Emanuel Adler and Beverly Crawford, 'Normative Power: The European Practice of Region-Building and the Case of the Euro-Mediterranean Partnership', in Emanuel Adler, et al. (eds), *The Convergence of Civilisations: Constructing a Mediterranean Region*, Toronto, University of Toronto Press, (forthcoming).

First, the EU cannot rely entirely on positive conditionality. As suggested above, the latter is not yet rooted in a firm common ground of shared values. In theory, joint ownership should rule out the need to compel partners to abide by shared decisions. In practice, the Barcelona Process will continue to include asymmetries, ambiguities, uncertainties and *arrière-pensées*. The EU must preserve the means of using negative conditionality and should be prepared to use this tool. Crucially, the use of conditionality will require more political cohesion among the EU members.

Second, the form of positive conditionality that is expected to work within the ENP framework must become more convincing, particularly in relation to the 'rewards' offered in areas such as migration.

Third, more resources have to be assigned to democracy and human rights assistance. The management of an enlarged programme of democracy and human rights assistance requires three existing shortcomings and difficulties to be addressed: 1) the tendency to lean towards human rights and neglect democracy; 2) the objective political difficulty of addressing local realities without provoking counterproductive reactions by governments or nationalist-religious sectors; and 3) the lack of locally managed instruments. While the possibility of a 'bon usage de l'interférence' depends on the existence of an overall policy framework consistent with the task of promoting democracy and human rights – a point discussed below – local instruments to carry out policies also need to be diversified and refined. Delegations must be more flexible and independent in order to better grasp local realities. The EIDHR has to cooperate with private democracy-promoting foundations and should itself develop into more of a foundation-type initiative. Second-track channels in civil societies have to be multiplied.

Fourth, indirect policies must be reinforced. The rationale of some of these policies – as in the case of the Justice, Freedom and Security Programme and the programmes for cultural relations – should be clarified. Security should not be coupled with migration. Cultural relations should aim at strengthening knowledge and information societies and, in contrast, avoid glorifying traditional cultures and history. They should prepare the ground for a more common future rather than reassure people and governments of past glories.

In addition, a number of considerations are pertinent:

- While the Barcelona Declaration mentions democracy and human rights extensively among its objectives, they are not the EMP's most important or primary objective. The Barcelona Process' different objectives – peace and stability, prosperity, human development, cultural cooperation and so on – are seen as complementary to one another. This philosophy reflects EU thinking on conflict prevention and security, which is manifested in the European Security Strategy.¹⁹ In this framework, assisting partners in attaining democracy and protecting human rights is an objective the EU cannot view in isolation. Rather, this objective is seen as an integral part of conflict prevention policy whereby the EU helps partners establish a state of structural stability in the medium to long-term. Structural stability is the key objective of conflict prevention policies. It entails the implementation of political democracy, but in

¹⁹ Javier Solana, *A Secure Europe in a Better World. European Security Strategy*, Brussels, European Council, 12 December 2003.

combination with sustainable development and a range of other measures.²⁰ Democracy and human rights are not in themselves the most important objective of the EMP, but must be regarded as one dimension that needs to be balanced by other areas of progress laid out in the Barcelona Declaration.

The complementarity among objectives is also consistent with the widely accepted view that the EMP has generated a socialisation process. As Attinà points out, the 'socialisation perspective emphasises the intrinsic interconnectedness of the three Barcelona baskets' and requires 'governments to develop balanced initiatives, rather than uneven commitments to act in the economic area at the expense of action in the political and socio-cultural areas'²¹ or the other way around. Striking a balance among EMP purposes is consistent with the EU's fundamental strategy of constructive engagement, which requires the EU to carry out balanced initiatives within a complex and multi-layered approach.

It is important to stress this point at a moment when international circumstances put pressure on the EMP to conceive democracy and human rights as the supreme priority. These circumstances risk misleading the EU perspective. The urgency and absolute prominence that democracy promotion has been assigned in US policies after 9/11 stem from the Bush administration's mistaken belief that terrorism is rooted in the overall backwardness of the Middle East and North Africa regions.²² The European perception is that terrorism is rooted in a number of unresolved political questions whose solution is key to international and regional security. While the EU is duly responding to allied and international pressure to struggle against terrorist activities, a balance between the EMP's various objectives should be maintained. This is the most important benchmark EU policy-makers should take into consideration in relation to their strategies for promoting democracy and human rights.

- EU policy-makers should not forget that policies designed to promote democracy and human rights have to be primarily addressed to citizens and civil society. These policies must enable local actors to promote their own democratic reform strategies. They must help set in motion the essential political and institutional conditions for people in the southern Mediterranean to be able to engage in free debates and make decisions freely according to shared rules.²³ Europeans often suggest that culturally rooted factors are important in approaching democracy-specific questions in the Middle East and North Africa – factors which clearly cannot be exported, and which need internal debates and processes to be addressed convincingly and subjected to durable change. While most human rights belong to a

²⁰ Structural stability is defined as 'a situation characterised by sustainable economic development, democracy and respect for human rights, viable political structures and healthy social and environment conditions, with the capacity to manage change without resorting to violent conflict'; the definition is drawn from SWP-CPN, *Conflict Prevention and Peace-Building: A Practical Guide*, Berlin, December 2001.

²¹ Fulvio Attinà, op. cit., p. 188.

²² Thomas Carothers and Marina Ottaway, 'Middle East Democracy', *Foreign Policy*, November-December, 2004, pp. 22-28, criticise the US administration's link between terrorism and democracy.

²³ According to a recent article by Saad Eddin Ibrahim, 'Islam Can Vote, if We Let It', *New York Times*, 21 May 2005, 'These principles would include: strict respect for constitutions and the rule of law, including full independence of the judiciary; recognition of the principle of the rotation of power based on free and fair elections with international observers; ... agreement that non-Muslim minorities must be guaranteed full citizenship and cultural rights ...; and agreement that women must be assured full and equal participation in public life'. See Roberto Aliboni and Laura Guazzone, 'Democracy in the Arab Countries and the West', *Mediterranean Politics*, vol. 9, no. 1, spring 2004, pp. 82-93.

moral sphere shared by different cultures, some are tied to modernity and pluralism and need to be debated carefully before being accepted by people in the Middle East. The starting point must be the establishment of institutional and political conditions allowing for peaceful societal change – rather than having the latter be seen as the initial step.

- The EU needs stronger political credibility to effectively promote democracy and human rights. Its current lack of credibility is what prevents potentially democratic groups in the southern Mediterranean countries from cooperating with EU countries or being more accepting towards EU policies of democracy and human rights promotion. It compels potential Arab democrats to see these EU policies as unacceptable interference, to the extent of even driving democrats to support the nationalist rhetoric of the regimes they oppose. Credibility is most important in order for the EU to be able to help mobilise people inside the countries concerned and strengthen their locally oriented action to promote democratisation. Generating this credibility depends especially on the EMP demonstrating its relevance to Arab security concerns vis-à-vis Israel.

Conclusion

While current democracy and human rights initiatives in the southern Mediterranean countries suffer from shortcomings and could be readily improved and reinforced, the overall policy framework in which the policy has to be implemented is of a more complex nature.

On the one hand, democracy and human rights promotion cannot be pursued by policies intended to enforce them. This situation stems partly from the inherently cooperative nature of the EMP and its civilian power character. Additionally, and perhaps more importantly, it also stems in part from the fact that democracy and human rights cannot be imposed without or against the will of local constituencies nor implemented overnight. Enforcing peace is problematic. Enforcing democracy is impossible. Democracy and human rights must be stimulated from outside and mostly encouraged and fostered by indirect policies and over the long-term. Essentially, democracy and human rights promotion is predicated on the implementation of an indirect, long-term strategy, which will necessarily breed some frustration.

On the other hand, democracy and human rights promotion must be conducted in a solid, broad foreign policy context. More security convergence is required. At the same time, the EU must be more resolute in the observance of agreements and be more united in exerting pressure for reform. This is less an EMP problem as such, and more a question concerning the very identity of the Union and its future.

Chapter 4

EMP Cultural Initiatives: What Political Relevance?

Michelle Pace

If I were to start again, I would start with culture.

Jean Monnet

With the Euro-Mediterranean Partnership (EMP) about to celebrate its tenth anniversary in November 2005, its achievements remain rather modest, particularly within the third basket (partnership in social, cultural and human domains). In contrast to the optimistic expectations that accompanied the creation of the EMP in November 1995, the first ten years of the Barcelona Process have proven a disappointment for those who had hoped that the third basket might provide a viable strategic approach that would go beyond the European Union's long-standing concentration on trade and economic issues. In light of this disappointing record and the increasing importance that is given to inter-cultural dialogue and civil society cooperation across the Euro-Mediterranean space in the aftermath of 11 September 2001 (9/11), this chapter assesses both the merits and shortcomings of the Partnership in the social and cultural domain.

Within its third basket, the EMP is founded on a recognition of diverse cultural traditions and an appreciation of shared cultural roots. The general aim of the EMP's third basket is to develop human resources, increase knowledge of and promote understanding between cultures and encourage rapprochement between the peoples of the Euro-Mediterranean area through exchanges and the development of free and flourishing civil societies. These goals are addressed through a variety of regional activities aimed at:

- improving educational and training systems;
- controlling demographic growth;
- reducing migratory pressures; and
- fighting racism, xenophobia and intolerance.

Specific areas addressed include those on cultural heritage, audio-visual cooperation, youth, media and women. The Barcelona Work Programme includes two specific action headings that call for meetings in a) the cultural and in religious fields to address intolerance, and b) closer media interaction.

Overview of EMP Cultural Cooperation

Since the launching of the EMP, there has been a proliferation of activities under the third basket. These include the following areas.

Education

Education has been an EMP priority for the development of a rapprochement between peoples in the Euro-Mediterranean area. The *raison d'être* behind this focus is linked to the second basket, in that economic growth must be accompanied by increased social cohesion, including equitable access to education and the development of human resources. Thus, Community initiatives are aimed at guaranteeing access to education, improving the quality of education, increasing the participation of stakeholders and completing integration into the new knowledge/information society. Between 1995 and 2005, MEDA financed nine major education programmes with a total investment of 379.5 million euros. Approximately 52 per cent of the funding for

education programmes was aimed at basic education, 8 per cent at the secondary education level and 40 per cent at the higher education level, including through the Tempus programme.¹ Tempus consists of defining common projects between universities in the European Union and in one of the eligible Mediterranean countries (at least two universities in different EU member states and one university from the southern Mediterranean being required to participate in Tempus projects). The programme offers individual grants for teachers, researchers and other specialists in higher education for short visits to the partner countries, enabling both sides to improve the quality of university training systems and speed up restructuring. Funded by the MEDA programme with 21.5 million euros for 2003 and 21.5 million euros for 2004, Tempus involves nine Mediterranean countries. On 12 April 2005, the Commission proposed a substantial increase in EU and member states' support for education and vocational training, with the objective of increasing by at least 50 per cent the proportion of financial assistance devoted to education; a commitment from partners to a new target of 2015 for the eradication of illiteracy in the region; full enrolment of girls and boys at primary school, and the elimination of gender disparity at all levels of education; and a scheme offering scholarships for university study in Europe, with a percentage of places reserved for women.²

Training

EU support towards vocational training programmes is also aimed at meeting the practical needs of Mediterranean partners' economic demands. With large percentages of their populations being young people seeking employment, Mediterranean partner countries are in desperate need of developing systemic and integrated programmes for the advancement of their human resources. Since 1995, 15 MEDA funded projects totalling approximately 327 million euros have been aimed at contributing to the improvement and efficiency of employment systems. However, only 10-20 per cent of the working age population in Mediterranean partner countries benefit from vocational training.³

Culture

A series of programmes have been launched under the third basket of Barcelona to promote 'dialogue between cultures and exchanges at [the] human, scientific and technological level.'⁴ Euro-Med Heritage and Euro-Med Audiovisual are two important programmes under this framework.

EuroMed Heritage I was launched in September 1998 when ministers of culture from the Euro-Mediterranean Partners met in Rhodes. They gave green light to eighteen projects with a total budget of 14 million euros to be funded under the MEDA programme.⁵ EuroMed Heritage supports Mediterranean countries in their efforts to promote and care for their heritage.

¹ European Commission, 2005a. *EuroMed Report*, 14 April 2005.

² European Commission, 2005b. Commission launches 5-year work programme to reinforce Euro-Mediterranean Partnership. IP/05/419, Brussels, 12 April 2005. Available at http://europa.eu.int/comm/external_relations/euromed/news/ip05_419.htm

³ Ibid.

⁴ Barcelona Declaration, 1995, adopted at the Euro-Mediterranean Conference held on 27-28 November 1995. Available at http://europa.eu.int/comm/external_relations/euromed/bd.htm.

⁵ Corpus, Corpus Levant, Euromediterranean Heritage Days, Expo 2000, Saving Cultural Heritage Exhibition, Fêtes du Soleil, Ipamed, Maghreb Heritage Training Course I & II, Manumed / Voir § See, Museomed, Islamic Art in the Mediterranean, Pisa, Rias, Salambo, Unimed Audit, Unimed Herit, Unimed Symposium, Encyclopedia of the Mediterranean.

Launched in 2001, Euromed Heritage II injected new dynamism following lessons learned from Euromed Heritage I. The new projects continue to promote the cause of cultural dialogue, but have a more thematic approach in that they broadly seek to create comprehensive bodies of knowledge and expertise.⁶ They place particular emphasis on preserving the Mediterranean's non-material heritage, that is, oral traditions, know-how processes, cultural and social contexts, local history, sound and tactile experiences. Such genres of memory offer promising spaces for the excavation of memories as important sites for opening up dialogue in the Euro-Mediterranean space.⁷ The total budget for these projects amounted to 26 million euros, but the amount actually committed under MEDA II stands at 10 million euros.

Pursuing the same ongoing aims as Euromed Heritage II, four projects selected during the call for proposals relating to this programme started in 2004. These four projects (Discover Islamic Art, Rehabimed, Qantara, Byzantium Early Islam) have been named as Euromed Heritage III, with a total budget of 11 million euros. Rehabimed, for example, aims to 'stimulate awareness and to safeguard the traditional architectural heritage of the Mediterranean basin in order to improve living conditions and to increase the management capacity of the regional and local authorities'.⁸

The aim of the EuroMed Audiovisual programme, which started in 2000, is to develop the audiovisual sector (radio, television and cinema) in the Mediterranean partner countries and to foster a Euro-Med cultural identity through the audiovisual heritage of the area. Its budget, amounting to a total of 35 million euros, is now entering its second phase. In broad terms, the programme has supported audio-visual professionals from the 35 countries to meet and exchange their experiences in the audio-visual sector.

Euro-Med Youth

Many other programmes have been run under the third basket, including Euromed Humanities, MEDA Democracy, Med-Campus, Med-Media, Med-Urbs,⁹ but so far analysts would argue that the most successful has been the Euro-Mediterranean Youth Action Programme I, which was adopted at the end of 1998 and was set up with the understanding that 'youth exchanges should be the means to prepare future generations for a closer cooperation between Euro-Mediterranean partners'.¹⁰ The first phase of the programme promoted mobility and non-formal educational activities for young people through youth exchanges, voluntary services and support measures. Since its launching, the programme has facilitated the participation and exchange of ideas between 20,000 young people across the Mediterranean. Following the conclusion of Euro-Med Youth II, the Commission is now aiming at a new design for Euro-Med Youth III new decentralised management.¹¹ Euro-Med Youth II was

⁶ Delta, Prodecom, Filières Innovantes, La Navigation du Savoir, Mediterranean Voices, Medimuses, Temper, Patrimoines Partagés, Ikonos, Unimed Cultural Heritage II, Defence Systems on the Mediterranean Coast.

⁷ Michelle Pace and Tobias Schumacher, 'Report: Culture and Community in the Euro-Mediterranean Partnership: A Roundtable on the Third Basket, Alexandria 5-7 October 2003', *Mediterranean Politics*, vol. 9, no. 1, 2004, pp. 122-126.

⁸ See <http://www.euromedheritage.net/en/euromedheritageprojects/eh3/rehabimed.htm>.

⁹ Some of these programmes were suspended, although some were resumed. See Maurizio Giammusso, 'Civil Society Initiatives and Prospects of Economic Development: The Euro-Mediterranean Decentralised Cooperation Networks', *Mediterranean Politics*, vol. 4, no. 1, spring 1999, pp. 25-52.

¹⁰ See Barcelona Declaration, op. cit. See also Pace and Schumacher, op. cit.

¹¹ For further information see Pace and Schumacher, op. cit. and the evaluation report from the Commission entitled 'Mid-term Evaluation of the Euromed-Youth Programme', ref. no. MEI/B7-4100/1B/0418, 24 August 2001.

provided a budget of 14 million euros for 2002-2004, a budget increase of 40 per cent over Euro-Med Youth I.

The Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures

Important progress has been made during the first ten years of the EMP through the launching of the Anna Lindh Foundation for the Dialogue between Cultures. At the 2002 Valencia ministerial meeting, the principle of creating a Euro-Mediterranean Foundation to promote a dialogue between cultures and civilisations was agreed. At the Naples Euro-Med foreign ministers' meeting, partners did not reach agreement on where this foundation would be located; subsequently, Alexandria was chosen.¹²

The development of human resources, particularly youth as the main target group, is of key importance in the Foundation's objectives. In order to guarantee civil societies of the region an important role, the Foundation acts as a network of 35 national networks. All Euro-Mediterranean partners have committed financial contributions to the Foundation with a total figure of over 11 million euros, including 5 million euros provided by the European Commission from MEDA.¹³

Civil Society Cooperation

Since the creation of the EMP, the Euro-Mediterranean foreign ministers' summits have been accompanied by Euro-Mediterranean Civil Forums in various formats. Over the course of time, these events have developed from having an almost complementary role in relation to the official summits focused on the third chapter towards having a new arena for political dialogue, with more attention to the first chapter and thus creating a linkage between the first and third baskets. The recurrent themes of the Forums include social and workers' rights, cultural dialogue and exchange as well as debates over the main challenges facing Mediterranean countries. The topics have varied depending on the participating organisations and preparation committee. In total, nine Civil Forums have taken place to date, the most recent meeting was held in Luxembourg in 2005. The active participation of the civil societies of the region has been recently enhanced through the creation of the Euro-Mediterranean Non-Governmental Platform.¹⁴

Employment and Social Issues

Through the social affairs working groups set up under the EMP framework, Euro-Mediterranean partners cooperate on issues relating to the living and working conditions of migrant workers from partner countries and their social integration (through employment policies, gender equality and the fight against poverty and social exclusion). During the last ten years, gradual progress has been made in the development of legislation at the EU level banning discrimination on the grounds of religion or racial and ethnic origin in employment. The equality dimension was discussed during a high-level conference organised under the Belgian Presidency in July

¹² Interviews held in Brussels, January 2004. See also the complete action plan of the Valencia Conference at http://europa.eu.int/comm/external_relations/euromed/conf/val/action.pdf and for the Naples Conclusions see http://europa.eu.int/comm/external_relations/euromed/publications.htm.

¹³ See http://europa.eu.int/comm/external_relations/euromed/euromed_foundation/index.htm.

¹⁴ 'Presidency Conclusions', The Hague, 29-30 November 2004. Available at http://ue.eu.int/ueDocs/cms_Data/docs/pressData/en/er/82876.pdf.

2001.¹⁵ Euro-Mediterranean association agreements also contain provisions concerning working conditions and social security, in particular on the principle of equal treatment. The principles upon which these provisions are based include the export of family allowances inside the EU and the export of pensions to the country of origin.

Science and Technology (S&T)

The aim of science and technology programmes is to create a Euro-Mediterranean research and innovation space as the main driving component of the opening of the European Research Area towards the Mediterranean. Since 1995, dialogue between EU member states and southern Mediterranean partner countries has been developed on this theme in the framework of the Barcelona S&T Committee as well as its ad hoc sub-groups. Under the Fifth Framework programme, the INCO-MED was created in 1998 with more than 110 million euros invested in joint research and development (R&D) activities in the region. These activities focus on natural resources (including the wider, water-related sector), health, cultural heritage and advanced technologies (such as renewable energy). Under the Sixth Research and Technological Development Framework programme, the EU integrated scientific communities of the southern Mediterranean partner countries into the European Research area. The Seventh Framework programme will further strengthen possibilities for the development of human resources and research capacities by promoting further scientific exchanges with the Mediterranean partners.

Strengths and Weaknesses of the EMP Approach towards Cultural Cooperation

Most observers would agree that the most positive aspect of the EMP has been the creation of a permanent multilateral forum, outside the United Nations, where Israel and its neighbours regularly meet. The Civil Forums have an added value of creating further possibilities for dialogue between all Euro-Mediterranean partners and an environment for the exchange of views. Critics complain that these meetings provide a meeting place for a group of friends and that nothing concrete in terms of policy substance ever emerges from such gatherings. The Euro-Mediterranean programmes related to culture, audiovisual and educational areas are also criticised for being elite-oriented. The Tempus education programme has been extended to Mediterranean partners and represents a positive step towards improving the knowledge base in the region, but practitioners argue that other education programmes like Erasmus should also be extended to this area. Moreover, in order to empower Mediterranean societies, any tertiary education exchanges and fellowships should focus on specific areas like public administration to better equip students with the skills for their workplace in the global economy. Furthermore, exchanges have not been sufficiently two-way to enhance EU member states' knowledge of Mediterranean partner societies' culture, outlooks and priorities. There has been only weak emphasis on increasing the development of linguistic studies (particularly the main languages of Mediterranean partners, that is, Arabic and French) in European universities and colleges.

Culture has clearly assumed the position of a relevant factor with respect to challenges arising from the Mediterranean in the areas of employment, social cohesion, regional, urban and structural development, IT, tourism and other sectors of production and services. What must be carefully considered, however, particularly in the audiovisual

¹⁵ See 'Presidency Conclusions', Euro-Med Conference of Ministers for Foreign Affairs, Brussels, November 2001. Available at <http://www.euromedrights.net/english/barcelona-process/EMP/summits/brussels.htm>.

sector, is a tendency to take a one-sided view, focusing mainly on the commercial aspects of culture. Euro-Mediterranean partners should continue to work for appropriate legal, financial and political preconditions to allow cultural activities to assume a role as part of a democratic development of the Euro-Mediterranean space, enabling and empowering civil society actors as forces for the creation of critical public spheres. Freedom of expression, freedom of the press, freedom of the arts, etc., require more than just freedom from censorship and pressure: there has to be active state support for activating and enabling pluralistic expressions in the press, arts, etc., so that agents are free to produce public debates.¹⁶ In this manner, cultural activities and reforms impact upon the political reform objectives of the EMP, namely through encouraging good governance, the rule of law, democratisation and the promotion of human rights. Thus, states still have a role to play as interlocutors of interactions between the agents of change and reform in Mediterranean countries. In addition, more efforts must be targeted at increasing public awareness of the cultural programmes and opportunities available within the third basket of the EMP.

The potential of the third basket in this context involves a progressive approach to cultural diversity and difference, with EMP programmes actively dealing with and addressing issues of social change, the fast-developing knowledge society, education, migration, globalisation, etc. This means taking the transversal quality of cultural activities into consideration, and at a broader level.¹⁷ Such an approach is not meant to legitimise or justify support for the EMP's third basket per se, but to foster the *political* dimension of cultural activities in an open and democratic Euro-Mediterranean space, promoting a permeability of borders and the transgression of distinctive baskets. In short, efforts are needed to highlight the multi-faceted nature of cultural programmes and their interconnectedness with almost every aspect of the first and second baskets of the EMP. The cultural dimension of the EMP could be one way of regulating power relations within Mediterranean countries by maximising the opportunities for individuals to influence the conditions in which they live, by participating in and influencing debates about the key decisions that affect their societies; in effect, a pathway to substantive democratisation that introduces citizen rights and eventually the creation of a democratic state.¹⁸

In sum, while the third basket clearly does not lack activities, what seems to be missing is the connection between these programmes and activities under the first and second baskets. It follows that challenges remain for such an ambitious project.

The Broader Political Relevance of the Cultural Approach

There is a shared sense among European Union member states that the EMP has not achieved as much as was originally hoped.¹⁹ The Mediterranean area continues to face enormous challenges. Although the Mediterranean has recorded the fastest improvements in female education of any developing region, with women's literacy rates tripling and school enrolment doubling over three decades, women's

¹⁶ Therese Kaufmann and Gerald Raunig, 'Anticipating European Cultural Policies', Position Paper on European Cultural Policies' 2002. Available at <http://www.eipcp.net>.

¹⁷ Michel Foucault introduced the term 'transversality', which – in the context of this chapter – refers to cultural activities that are not limited to a certain country but require multiple forms of collaboration in complex areas. Such activities support new forms of collective cooperation among individuals and organisations in the Euro-Mediterranean area from the most diverse sectors.

¹⁸ M. Kaldor and I. Vejvoda, 'Democratisation in Central and East European Countries', *International Affairs*, vol. 73, no. 1, 1997, p. 67.

¹⁹ 'Achieving a Common Vision', mimeo, a contribution from the United Kingdom to the future of the Barcelona Process. Position paper of British ideas on the EMP.

empowerment remains one of the region's main deficits and women's illiteracy rates remain strikingly high: out of 60 million adults who cannot read or write in Arab states, two-thirds are women.²⁰ The EU has attempted to address economic discrepancies, political challenges and social realities in the Mediterranean, realising their potential consequences for the Euro-Mediterranean region as a whole. In particular, during the Valencia Summit, an action plan for implementation was agreed by all participants and included short and medium-term initiatives aimed at reinforcing the three chapters of the Barcelona Process.²¹ Yet, human development in the Mediterranean requires further evolution in governance systems not least in terms of representation and accountability. Although cultural programmes have been well received in the southern Mediterranean, civil society and other non-governmental actors (mostly) remain apolitical and support the status quo, doing little to challenge established political distribution of power in authoritarian regimes. Civil society actors in the South lack the clout to mobilise support for both development and the promotion of political change.²² This is not to say that civil society is not an important social factor in the promotion of political change. But this requires civil societies to engage in dialogue outside their own circles to incorporate all actors in the political arena. Currents of reform exist in the Arab world today; however, as Tarek Osman observes:

The fundamental reform that the Arab world needs is one that acknowledges the needs and demands of the masses of young men and women with crushed aspirations; a reform that brings decision-making – and the right to question and change the authority and the regimes – back to the people.²³

The challenge for civil society and NGOs in the southern Mediterranean is therefore how to make best use of the EU's cultural programmes to mobilise the so-called 'Arab street'. In parallel, the EU's cultural programmes should grab the current window of opportunity and support reform efforts in the South by putting pressure on governments to end restrictions on political parties and civic organisations and encourage the development of independent judiciaries. The EU could, for example, seek ways to dialogue with a series of Islamic modernist movements in Arab partner countries that are attempting to reconcile culture and religion with a kind of Islamic democracy. Funding through the third basket to these movements to encourage educational programmes to this effect would help in advocating the younger generations' aspirations. The EU could also engage in dialogue with Islamist reformers on concrete ideas of what such an Islamic democracy would look like, what institutional structures are required that may combine secular and religious values, and the impact of these structures on the political reform process.

Issues relating to religion, principles of tribal law and Mediterranean cultures are still uncomfortable issues for many EU policy-makers; in the words of one official, these are not the Europeans' 'cup of tea'.²⁴ Thus, culture remains, in practice, of minor

²⁰ United Nations Development Programme, *Arab Human Development Report*, United Nations Publications, 2002.

²¹ Although this has not been implemented in full.

²² Irene Menéndez González, 'Arab Reform: What Role for the EU?', *Egmont Paper* no. 8, Brussels, IRRI-KIIB, 2005.

²³ Tarek Osman, 'Arab Democracy: Says Who?' openDemocracy, 7 June 2005. Available at <http://www.openDemocracy.net>.

²⁴ Based on author interviews, Brussels, January 2004 and February 2005. See Michelle Pace, *The Politics of Regional Identity. Meddling with the Mediterranean*, Oxford, Routledge, 2005.

importance and considered a controversial issue – yet ideologically highly charged. This, according to one interviewee, may explain why the third basket of the EMP is clearly not one of the top priorities on the agenda, since Europeans ‘fear’ approaching such issues directly. In official circles, frequent mention is made of the importance of such matters but, in practice, these issues are subordinated to economic, in the words of one diplomat, ‘hands-on stuff’. Thus, policies and actions concerning culture in the Euro-Mediterranean space remain restricted to ‘harmless areas’ such as exchanges and cooperation activities.

The Barcelona Process has so far survived, fostered contacts at various levels in the Euro-Mediterranean area and created the momentum and incentives for partners to abide by agreements. Confidence-building and patience remain key to the future outlook of this policy process.

Despite all these weaknesses, the EMP and its enhancement through the European Neighbourhood Policy (ENP), remain the privileged instruments for partnership and dialogue between EU member states and Mediterranean partner countries to achieve their common objectives of pursuing political, social and economic reforms towards regional stability and prosperity. Despite the obstacles and lack of funds, existing EMP cultural activities, initiatives, networks, exchanges of artists and intellectuals amount to far more than the cultural activities organised by the majority of national foreign ministries of the Euro-Mediterranean countries.²⁵

What could potentially enhance the role of the third basket in the future of the EMP is a conscious focus by all parties involved on prioritising key objectives to be reached within a specific time-frame and the delivery of real, tangible and positive results for the people of the Mediterranean. The 2005 UK Presidency’s suggestion to choose key achievements to focus on over the next ten years could be carried through by subsequent presidencies.²⁶ Moreover, through the common element across all three baskets of the EMP – namely, political dialogue – civil society cooperation efforts need to direct the EU’s strategy for the Mediterranean by relating elite discussions to concrete human conditions in the South. This could be done through the creation of individual action programmes for each Mediterranean partner. These efforts require the commitment of each southern state, and this is where the EU could play a crucial role in supporting the development of civil society. The ENP’s action plans for individual Mediterranean partner countries offer such possibilities. The Barcelona Process has the potential to be a more effective and unique mechanism through the setting up of specific benchmarks. The ENP’s differentiated action plans offer such an opportunity to meet the shared objective of a politically, economically and socially integrated development process in the Euro-Mediterranean space. Improved education systems, more vigorous private sectors and enhanced democratic and governance environments will make for a more cohesive Euro-Mediterranean space.

This objective entails going beyond the artificial division between the three baskets of the EMP that has led to an excessive institutional complexity with a simultaneous gap in terms of the involvement of social actors. As Iván Martín has argued elsewhere, the biggest contradiction of the EMP is that it intends to promote democracy, bring about development and enhance mutual knowledge among the peoples of the

²⁵ ‘Dialogue between Peoples and Cultures: The Artists and the Cultural Actors’. Conference organised by the European Commission’s Directorate General of Education and Culture, Brussels, Palais des Beaux-Arts, 25-26 February 2005.

²⁶ ‘Achieving a Common Vision’, *op. cit.*

Mediterranean by purely inter-governmental methods, without giving significant say to the people affected. Thus, 'social consultation' with civil society, now confined to the third basket, should be extended to high politics, that is, economic and political issues such as the ones handled in the first and second baskets. It follows that one of the major challenges for the future of the EMP will lie in establishing the procedures to make consultation with all social actors involved central to the Barcelona Process.²⁷

Conclusion

EMP cultural activities across the Euro-Mediterranean space have significantly increased since the launching of the Barcelona Process. There is, however, an obvious need to translate the functions that cultural programmes should and could perform into concrete action in response to current political, economic and social developments within the Mediterranean as well as in a global context. The budgets allocated to cultural activities need to match the aspirations and needs of cultural sectors.

To make these opportunities viable, certain constraints have to be addressed. The key to lively and significant international cultural and educational exchanges is mobility. Existing obstacles to increased mobility across the new EU boundaries, in particular rigid visa regulations, should be ultimately removed or, at least, eased in the short to medium-term. Current visa regulations to enter the Schengen zone provide huge bureaucratic hurdles to the free flow of ideas and intellectual and artistic stimulation. The current process of acquiring a visa is not just cumbersome and time-demanding but also discouraging for both the artist and the inviting institution. The latter is faced with some considerable challenges: an invitation letter to an artist from a neighbouring country has to include a written guarantee of being solely responsible for the invitee's personal and medical needs during the stay in the Schengen zone, and also for their return journey after the expiry of the visa. These stipulations can have a deterring effect particularly for smaller cultural institutions within the EU that have no prior experience in inviting guests from non-EU countries. Such procedures thus prevent cultural exchange and intellectual mobility. The ENP action plans should include provisions that extend current and future EU mobility programmes and instruments to the new neighbouring countries. In terms of EU governance, this is not a question of whether rigorous visa regimes to protect EU countries against illegal immigration are justified or not: the issue is how the EU can find appropriate ways of avoiding the unintended effects of such rules. If the objective is to promote more mobility with neighbouring countries, then it is clearly contradictory to inhibit participants from entering the EU due to rigid entry requirements. The idea of a special multi-entry visa or a facilitated travel document for cultural operators has already been proposed and could help avoid cumbersome procedures.²⁸ The EU could also establish a liability fund for inviting organisations that works like an insurance policy and covers financial damage in the very rare cases where problems may arise. Such mechanisms could significantly reinforce the EU's stated objectives of cross-border mobility and cultural exchange.

The Commission and the High Representative believe that it is necessary to raise the level of ambition in Europe's relations with the Mediterranean. Existing frameworks

²⁷ See Michelle Pace, 'Report: The Impact of European Union Involvement in Civil Society Structures in the Southern Mediterranean', *Mediterranean Politics*, vol. 10, no. 2, 2005, pp. 235-240.

²⁸ Participation of the author at a policy briefing workshop on 'Propositions for the Engagement of Civil Society in the EMP: How to Render the Partnership Closer to the People of the Region', organised by the Friedrich Ebert Stiftung (FES), Morocco, 18-19 March 2005.

have to be further developed and complemented by taking account of the different situations of the countries concerned. The EMP has the potential to grow through the ENP strategy. On the other hand, thought should be given to the further development of a wider Middle East strategy, to allow the EU to better confront the security-oriented discourses of this region and to promote the necessary reform processes. Consultation and cooperation mechanisms for enhanced political dialogue on conflict prevention and crisis management and the fight against terrorism and the proliferation of weapons of mass destruction (WMD) should be enhanced. Finally, the EU should increase coherence between existing instruments, bearing in mind the European Security Strategy and enhancing the focus on promoting political, economic and social reforms. The follow-up to the European Security Strategy and the development of the Barcelona/ENP processes constitute the frameworks in which these objectives should be further pursued.²⁹ The third basket has the potential to desecuritize Euro-Mediterranean political, economic and social relations.

Moreover, cultural diversity in the EMP context has to take into account not only differences between EU member states and Mediterranean partner countries, but also differences *within* EU member states. If cultural diversity is taken in a positive sense to refer to continuous processes of exchange, intersection, change and differentiation in time and space between the various communities in EU member states and in Mediterranean countries, then the third basket of the EMP can be a productive policy instrument. A progressive and positive understanding of cultural diversity critically considers difference not as a 'fear-loaded' concept but as a dynamic in Euro-Med societies that promotes dynamism and a process of constant exchange and negotiation.

This view of cultural programmes properly cutting across many different sectors, establishes a formal relation between culture and other spheres of life. This should in turn allow cultural actors to claim a greater share of resources from programmes within the first and second baskets of the EMP (for example, the Structural Funds, whose objectives are not exclusively cultural). Moreover, such an interpretation of culture requires a critical assessment of the impact and effects that decisions in the first and second policy baskets might have on the third basket. For example, decisions concerning competition laws and other trade regulations may impair development in peoples' cultural life. Through such interpretations, the politics of cultural programmes must become a nucleus of the politics of democratisation processes across the Euro-Mediterranean space. The third basket of the EMP offers partners a forum for the constant negotiation and renegotiation of different positions. In a positive light, it should be understood as a laboratory of exemplary models for the constructive dynamics of difference.

To invigorate cultural/religious and media dialogue using existing instruments, including the Euro-Mediterranean Foundation for the Dialogue between Cultures, third basket initiatives could aim at the following priorities:

- A Replacement Migration Policy. Recognising that immigrants from Mediterranean partner countries make a substantial contribution to the development of Europe and given that the EU is firmly committed to fight manifestations of racism and discrimination in any of its forms, such a policy should aim at full respect for the

²⁹ 'Strengthening the EU's Partnership with the Arab World', Javier Solana, High Representative of the CFSP; Romano Prodi, president of the European Commission; and Christopher Patten, member of the European Commission. 4 December 2003. Available at http://europa-eu-un.org/articles/en/article_3078_en.htm.

rights of immigrants in Europe. Its implementation should be improved further and cooperation in the framework of existing agreements should be enhanced to take into account the concerns of Arab partners. The EU should also make full use of new frameworks, such as the ENP initiative. The conclusion of re-admission agreements with certain Arab countries to promote collaboration in the management of migratory flows should also be a priority.

- Actions in the third basket should support the development of open, knowledge-based societies in Arab countries. Through the Euro-Mediterranean Foundation for the Dialogue between Cultures, the EU should explore the potential for intercultural dialogue within the Arab world, in particular through the Gulf Cooperation Council (GCC) framework. Within this wider framework it should also promote cultural and religious dialogue, including the exchange of experiences and best practices in the field of minority rights and the fight against racism and xenophobia, and explore the potential of the Euro-Med Youth and Tempus programmes with a view to increased cooperation among, and development of, civil society actors in the region.
- Encourage Middle Eastern and North African governments to promote independent media and permit freedom of expression; promote journalist training and Arabic language broadcasts of European TV and radio news, and other initiatives to ensure better information on European policies and conditions and balanced coverage in European media of issues related to the Arab world; actively encourage translations between Arabic, regional and European languages; and promote the idea of a code of conduct (like those found in Europe) for the media in Middle Eastern and North African countries.
- Through third basket programmes, the EU has the possibility of encouraging and supporting a more pluralistic and tolerant political culture in the wider Euro-Mediterranean space. Political dialogue should be the main pillar that links cultural activities to the EMP's political reform objectives. This requires some hard facts to be faced: Europeans have to acknowledge that most Arab partners continue to regard the West with mistrust and suspicion, which has been hindering true partnership-building. The overwhelmingly negative reactions from the Arab world following the declared 'war against terrorism' and the Western intervention in Iraq relates to older, embedded influences, not least the experience with Western colonialism. A recent survey on post-9/11 attitudes in eight countries (Egypt, Saudi Arabia, United Arab Emirates, Morocco, Lebanon, Jordan, Kuwait and Israel) confirms that a major issue of concern is the absence of peace in the Middle East.³⁰ For Arab partners, Western governments should practice what they preach when they talk about democracy and political reform in the Arab world. Europeans have to come clean on their economic and strategic interests and their true intentions in promoting democracy in the Arab world and a space for dialogue in Euro-Mediterranean relations.

Chapter 5

Security Cooperation: A New Reform Orientation?

*Fred Tanner*¹

¹ This paper draws partly from Heiner Hänggi and Fred Tanner, 'Promoting Security Sector Governance in the European Union's Neighbourhood', EU-ISS, *Chaillot Paper* no. 80, July 2005.

During the ten years of the Euro-Mediterranean Partnership (EMP) there have been important changes in the international security landscape that have affected the threat assessments and security policies of both European and southern Mediterranean states. This provides good reason to review and reassess security relationships in the region. Markers that influence the current – and almost certainly, future - agenda and security landscape in the Mediterranean region include:

- Since 11 September 2001 (9/11), and significantly heightened by the bombings in Casablanca and Madrid by Islamists, the Mediterranean has turned into ‘an area of strategic concern, with a bearing on internal as well as regional security’;²
- The emergence of a common Euro-Mediterranean threat assessment related to: terrorism and organised crime. This common threat assessment has led to a cooperative security discourse;
- Security cooperation related to the defence sector has lost currency in favour of cooperation in the domain of law enforcement and justice and home affairs (JHA);
- Divergence with regards to the means of how to address these threats. Europe considers the democracy deficit in the region as one of the ‘root causes’ of Islamist terrorism. Therefore, at least on a declaratory level, democracy promotion has become one of the preferred policies of the West with regards to the Mediterranean and the Middle East. Southern partner states, although ostensibly recognising the importance of democratic governance, do not share this view;
- The US military overthrow of the Saddam Hussein regime and the ongoing conflict in Iraq has the potential to destabilise the Middle Eastern and Gulf region;
- The emergence of the European Union as a security actor, with the European Security and Defence Policy (ESDP) as a main policy instrument in the politico-security domain; and
- The emergence of a consensus, at the global level, regarding the close linkages between security, development and human rights, as expressed by the United Nations High Level Panel Report.³

The EMP political and institutional framework has also evolved and become more flexible but possibly also less relevant. EMP policy instruments have been complemented from the EU side by new instruments such as the action plans of the European Neighbourhood Policy (ENP) and the ESDP Dialogue.

The EU’s promotion of human rights and political reform has recently become more structured with regards to its ‘post-enlargement’ neighbourhood. Also, policies pertaining to the promotion of security sector governance can be found in all three pillars of the EU’s institutional structure: the Community’s external relations, ESDP and JHA. With regards to the Mediterranean, however, the only activities that are relevant to security sector reform are found in the domain of JHA. This includes police training and support for judicial reform. The only operational cooperation with Euro-Med partners in the field of security sector reform has been with Turkey and the Palestinian Authority. This cooperation did not take place, however, in the context of the EMP.

² International Institute for Strategic Studies, *Strategic Survey 2003/4*, London, IISS, 2004, p. 146.

³ The Moroccan deputy minister of Foreign Affairs adjusted this triangle to a relationship between security, development and democracy. Speech by Taieb Fassi-Fihri at the Seminar ‘ESDP and the Mediterranean’, EU Institute for Security Studies, 10 May 2005.

The Development of Security Cooperation between Europe and the Mediterranean

Over the last ten years there has been little progress in the domain of security cooperation in the Euro-Mediterranean framework. The 1995 Barcelona Declaration enumerated a number of far-reaching objectives.⁴ The content of cooperation related to the political and security partnership 'has actually been shrinking' since 1995. The ministerial meeting of the EMP has had an increasingly thin agenda concerning security cooperation. Also, efforts of norm setting on comprehensive security have been blocked since 1999, when the Euro-Mediterranean Charter for Peace and Security proposed by the EU was rejected by some Arab states. As a consequence, the Charter has been watered down from a blueprint for a comprehensive 'Stability Pact' to an arrangement that does not go much beyond the commitments contained in the chapter on politics and security of the Barcelona Declaration. At the November 2000 Marseilles ministerial meeting, the Charter was removed from the agenda of cooperation.

Today, the threats of terrorism, organised crime, drug trafficking and human trafficking are all at the top of the Mediterranean security agenda and they reflect the blurring of external and internal security issues. Accordingly, the priorities in security cooperation have shifted towards the areas of justice, freedom and security. In this context, a framework document on a regional cooperation programme on JHA issues was adopted at the Valencia Conference of 2002. At the level of implementation, the action plans of the association agreements and the ENP helped to create institutional (bilateral) dialogue between the EU and partner states, particularly in the justice and security subcommittee and the migration and social affairs working group.⁵

The events of 9/11 created a greater urgency for cooperation in law enforcement, but also judicial and police reforms as well as the strengthening of border management capabilities. Relatively large projects on judicial reform were launched in Algeria (15 million euros), Morocco (28 million euros) and Tunisia (30 million euros) over recent years. Moreover, in Algeria, a police reform project (initiated in 2000) has been carried out in the framework of the ENP. The main objective of this latter project has been to professionalise Algerian police forces, and to enhance respect for human rights and the rule of law. In addition, an important goal of the EU has been to improve the capacity of the Algerian police to manage migratory flows. A total of 10 million euros has thus far been allocated for this project.⁶

Trading Off Values for Stability?

Since the terrorist attacks in New York, Casablanca and Madrid, the EU has been concentrating its policy on strengthening cooperation between law enforcement agencies of EMP countries. For this purpose, the newest generation of association agreements contains clauses on security cooperation relating to the fight against terrorism.⁷ The downside of these anti-terrorist clauses is – as in the case of Algeria,

⁴ This includes developing the rule of law, democracy, respect for human rights and fundamental freedoms, and promoting regional security and conditions likely to create good-neighbourly relations and sub-regional cooperation.

⁵ European Commission, 'Tenth Anniversary of the Euro-Mediterranean Partnership: A work programme to meet the challenges of the next five years', Communication to the Council and the European Parliament, 12 April 2005.

⁶ Euro-Med Partnership, National Indicative Programmes for Algeria, Morocco and Tunisia, 2005-2006.

⁷ See, for instance, art. 90 of the Association Agreement with Algeria, 12 April 2002.

for instance – that they give the partner state *carte blanche* with regards to its security, arms trade and defence policies.⁸

The official view within the EU is that enhanced and structured security cooperation with Arab EMP partner countries is consistent and indeed supportive of its objective of promoting democracy and good governance in the region.⁹ It is, however, often pointed out that the EU's enhanced focus on counter-terrorism has actually been detrimental in terms of improving accountability of and respect for human rights by security forces of Arab EMP countries. Morocco, for instance, has been criticised by human rights organisations for its anti-terror legislation and policies adopted in the aftermath of the Casablanca bombings in 2003. According to Human Rights Watch, Morocco's campaign against Islamist militants, which has also involved fast-track convictions, has undermined the considerable progress made by Morocco in this field over recent years.¹⁰

Moreover, it seems clear that the EU as well as individual EU countries have tended to devote resources mainly to enhancing the efficiency of police forces of southern Mediterranean countries in preventing undocumented migration across the Mediterranean, and less to actual police reform. In October 2002, for example, the EU allocated 40 million euros to Morocco for the construction of a coast-control system along the country's northern shores aimed at preventing migration and drug trafficking across the Straits of Gibraltar.¹¹ Moreover, the EU has recently set up a 250 million euro fund for assisting third countries in preventing irregular migration towards the EU, and in 2004 a project by the European Police College was carried out aimed at training police forces of southern Mediterranean countries in fighting terrorism and human trafficking.¹²

Overall, with regard to the EU's policies in this area, it can be argued that operative aspects and short-term security concerns with illegal migration, drug trafficking and terrorism have taken precedence over institutional reform objectives, such as enhancing respect for human rights, accountability and civilian oversight over security forces of southern Mediterranean countries. Limits to cooperation in the JHA area also stem from the lack of harmonisation and collaboration among EU members states, as evidenced for instance by the fact that Europol still lacks executive powers.

ESDP Dialogue

With the deferment of the Charter for Peace and Security, the foundation for an EMP security dialogue has disappeared. It is in this context that the EU proposed a dialogue on the ESDP. Meanwhile, the Valencia Action Plan approved in 2002 provided for a dialogue on crisis management within EMP.

The ESDP Dialogue may have become, *faute de mieux*, the forum for security cooperation in the EMP. The objectives of this dialogue are to share information and explore the possibility for cooperation in the area of conflict prevention and crisis management. The Political and Security Committee met with its Mediterranean

⁸ Ibid, art. 101.

⁹ See the conclusions of the Euro-Mediterranean Conferences in Naples, Dublin and The Hague.

¹⁰ Human Rights Watch, *Morocco: Human Rights at a Crossroads*, October 2004.

¹¹ *El País*, 6 October 2002.

¹² Richard Youngs, 'Ten Years of the Barcelona Process: A Model for Supporting Arab Reform?', *FRIDE Working Paper* no. 2, January 2005, p. 8.

partners in 2004, and in November of the same year senior officials and ESDP experts met within the Barcelona framework.

In addition to being a forum for dialogue on crisis management, ESDP provides a framework for cooperation in peacekeeping and peace-restoration missions. The involvement of Mediterranean partners is ad hoc and reflects a bottom-up approach; it is security cooperation more by opportunity than by design. Morocco, for instance, is currently contributing to the ESDP mission in Bosnia-Herzegovina (Althea). For this type of cooperation to gain currency, there is a need to develop joint training programmes and involve potential EMP troop contributors in ESDP pre-deployment programmes, common exercises, the pooling of soldiers and legal training. Peacekeeping cooperation is a promising aspect of security cooperation. There is a long standing practice of Mediterranean partners participating in UN peace missions. Jordan is the leading contributor to UN missions among southern Mediterranean partners, followed by Morocco.

ESDP's strength is that it can be combined with many other instruments of the EU, including cooperation in the economic, development and social areas and in turn support this, at least theoretically, with a portfolio of hundreds of millions of euros. This is a comparative advantage over NATO, which can provide security, but no structured cooperation in the areas of post-conflict reconstruction.

ESDP operations have not been involved in defence and armed forces reform activities. But this could change as international peace operations are increasingly faced with the need to rebuild or reform armed forces and to engage in defence-institution-building. This seems to be reflected by the discussion on the EU's possible involvement in the restructuring of the armed forces of the Democratic Republic of Congo (DRC).

Finally, the new European Security and Defence College (ESDC) might decide to involve participants from the EMP partners in its 'ESDP Orientation Course'.¹³ In the mid-term it might be examined whether this ESDP Orientation Course and possibly other region-specific courses could be delivered by the ESDC in partnership with institutions of EMP partner states. The training and education dimension of the ESDP could also help to create networks among civilians and military personnel of EMP countries in crisis management and peacekeeping.

Towards Reform in the Defence and Security Sector?

The Mediterranean's Democracy Deficit

The Mediterranean suffers from some of the world's largest democratic deficits.¹⁴ This observation is closely linked to what the Arab Human Development Report refers to as the 'Freedom Deficit', a lack of freedom of expression, of association and of making

¹³ The draft modalities of the ESDC state that '... it should also be possible for civil and military personnel from candidate countries and, as appropriate, from third states to participate'.

¹⁴ 'Freedom calls, at last?' *The Economist*, 3 April 2004. According to the ratings of Freedom House (FH), all Arab partner countries (Algeria, Egypt, Jordan, Lebanon, Mauritania, Morocco, Syria and Tunisia) show ratings of between 5 and 7 in terms of political rights (seven being the least free or democratic category). According to FH's overall rating (taking into account both political rights and civil liberties), the majority of these countries (Algeria, Egypt, Lebanon, Mauritania, Syria and Tunisia), are qualified as 'not free', whereas only Jordan and Morocco are considered 'partly free'. None of them qualifies as 'free' (data from 2004).

choices.¹⁵ As a consequence of these deficits, there are several deficiencies in the defence sectors of these countries. These include:

- *Limited civilian participation in and oversight over security policy-making.* In most countries of the southern Mediterranean region, security policy is largely the preserve of the military, with limited involvement of civilian authorities or the public at large. Parliaments and civil society generally play a modest role in the political process and political systems are characterised by a powerful executive branch that exerts control over all other branches of government.
- *Limited separation of police and military forces.* In many countries of the southern Mediterranean, the functions of internal and external security forces are blurred, with the military playing a considerable role in internal security, as well as in domestic politics more generally. A clear definition of the respective roles of the police and the military is lacking. This goes hand-in-hand with a conflation of regime security with the security of the state as a whole. The security of the regime in power is often equated with the security of the state as such, with the consequence that external defence forces are sometimes mobilised to counter opponents to existing regimes, or that political dissidents are tried not by ordinary but rather military courts.
- *High levels of defence spending.* Southern Mediterranean countries generally have high levels of military spending, averaging more than 4.5 per cent of their gross domestic product (GDP) in 2003. Moreover, given the various informal sources of income of these countries' military establishments, it can be assumed that military spending is actually far higher than the official figures. These high levels of defence spending are accompanied by a serious lack of transparency and public accountability.

The Security, Development and Democracy Triangle

The EU is confronted with the question of how to promote democracy and security sector governance with the partners in the Euro-Mediterranean Partnership that are reluctant or unwilling to reform. The key to introducing the topic of democratic governance of the security sector in EMP discourse is to associate it with the triangle of security, development and democracy; a relationship that has been extensively elaborated by the UN High Level Panel Report and Kofi Annan's Report *In Larger Freedom*.

The European Security Strategy links security with development and democratic governance with two basic provisos:

- 'security is a precondition of development'; and
- 'the best protection for our security is a world of well-governed democratic states'.

To achieve this security objective, the strategy argues that the EU should 'promote a ring of well governed countries to the east of the European Union and on the borders of the Mediterranean'. Spreading good governance, establishing the rule of law and

¹⁵ United Nations Development Programme, *Arab Human Development Report 2002. Creating Opportunities for Future Generations*, New York, United Nations Publications, 2003.

protecting human rights are considered 'the best means to strengthening international order'.

Moreover, the Security Strategy paper suggests that the EU should be more active in pursuing its strategic objectives and in enhancing its capacities in the area of conflict prevention and crisis management. It is in this context that the strategy explicitly refers to security sector governance: 'As we increase capabilities in the different areas, we should think in terms of a wider spectrum of missions. This might include joint disarmament operations, support for third countries in combating terrorism and security sector reform. The last of these two would be part of broader institution building.'¹⁶

Policy instruments

The ENP purports to promote political, economic and social reforms with the objective of providing the partner states access to the EU's four freedoms.¹⁷ It is conceived as an instrument of conflict prevention and an effort to build security in the post-enlargement neighbourhood. While democratic governance and human rights are an integral part of the ENP, the latter stops short of explicitly including measures pertaining to the democratic governance of the security sector. The Commission refers loosely to 'common values' that should hold Europe and the southern Mediterranean together.¹⁸

Nevertheless, in contrast to the EMP, the ENP allows the partner countries to pursue a policy of self-differentiation. In practice, this translates into cooperation based on bilateral action plans on a country-by-country basis. The principle of self-differentiation allows the EU to pursue a multi-speed policy in the Mediterranean region and to formulate tailor-made reform packages that could be subject to EU conditionalities.

The policy instruments for promoting democratic reform include – in addition to the ESDP dialogue – the association agreements and the European Neighbourhood action plans. According to the presidency conclusions of the Euro-Mediterranean ministerial meeting of 2004, the Mediterranean partners agreed to work within the framework of these arrangements 'towards the implementation of political reforms and welcomed a structured dialogue, based on joint ownership, cooperation on human rights and democratisation and support for civil society'.¹⁹

¹⁶ Javier Solana, *A Secure Europe in a Better World. European Security Strategy*, Brussels, European Council, 12 December 2003, p. 12.

¹⁷ The free movement of goods, services, persons and capital.

¹⁸ 'The privileged relationship with neighbours will build on mutual commitment to common values principally within the fields of the rule of law, good governance, the respect for human rights, including minority rights, the promotion of good neighbourly relations, and the principles of market economy and sustainable development. Commitments will also be sought to certain essential aspects of the EU's external action, including, in particular, the fight against terrorism and the proliferation of weapons of mass destruction, as well as abidance by international law and efforts to achieve conflict resolution'. Communication from the Commission, 'European Neighbourhood Policy – Strategy Paper', 12 May 2004.

¹⁹ Council of the European Union, 'Presidency Conclusions for the Euro-Mediterranean Meeting of Ministers of Foreign Affairs', The Hague, 29-30 November 2004, p. 7.

Security Governance in EU-Mediterranean Cooperation

Neither EU nor southern Mediterranean states formally embrace the concept of democratic governance of the security sector in their discourse on the Euro-Mediterranean Partnership. Several EU member states maintain bilateral programmes of security cooperation with North African and Middle Eastern states. These programmes consist of training, joint exercises and (sometimes lucrative) transfers of defence equipment and armaments. Security governance issues have, thus far, not been part of these bilateral relations.

The EU approach to security in the region has been largely limited to soft security cooperation and, more recently, a dialogue on ESDP issues. The few EU-sponsored activities in the domain of police reform and human rights training of police forces are linked to security sector reform only by approximation and not by design.

On a normative level, the Barcelona Declaration establishes a link between domestic political conduct and regional security. It is also for this reason that the human rights commitments contained in the Barcelona Declaration were made part of the Political and Security Chapter of the Declaration. On a general level, the partners agreed in the Barcelona Declaration to foster 'political pluralism' and to 'develop the rule of law and democracy in their political systems'. More specifically they commit to 'refrain from developing military capacity beyond their legitimate defence requirements, whilst reaffirming their resolve to achieve the same degree of security and mutual confidence with the lowest possible levels of troops and weaponry'.

Institutional reform, democracy promotion and human rights projects in Arab EMP countries have been carried out within the framework of the MEDA Democracy Programme and, subsequently the European Initiative for Democracy and Human Rights. Overall funding for human rights and democracy promotion projects under MEDA has, however, traditionally been rather limited. Most of these funds also went to 'soft' projects, such as support for NGOs in the fields of development assistance and environmental protection.²⁰ Another core focus of MEDA aid has been to improve 'good governance' in the region, but projects in this field have concentrated mainly on technical or regulatory aspects, in particular harmonisation with the EU's single market rules.²¹

This may change with the recently adopted ENP action plans. Following negotiations with the concerned partners, plans to guide EU relations with Israel, Jordan, Morocco, the Palestinian Authority and Tunisia, amongst others, have been approved. While these plans are not identical, references to dialogue on ESDP, crisis management, the judicial system and democracy and human rights may have an impact on security sector governance.

Merits and Successes of the EMP

The following developments could be labelled as positive developments during the EMP's ten-year existence:

²⁰ Youngs, *op. cit.*, p. 2

²¹ *Ibid.*, p. 3.

- The gradual acceptance of principles of self-differentiation, flexibility and benchmarking. The principle of self-differentiation – introduced by the ENP and previously practised through association agreements – allows the EU to pursue a multi-speed policy in the Mediterranean region and to formulate tailor-made reform packages on a country-by-country basis. The introduction of ‘benchmarking’ enables the EU to work with each partner on a more transparent and consistent basis;²²
- The development of an incremental, gradual approach, moving away from grand designs and pan-Mediterranean projects;
- The emergence of common Euro-Mediterranean threat assessments, in particular relating to terrorism and organised crime. This facilitates closer security cooperation in this domain; however, at the same time, it may also slow down or freeze cooperation in the field of human rights and democratic governance;
- The adoption of a regional cooperation programme on JHA issues at the Valencia Conference of 2002; and
- Acceptance within the EMP framework of sub-regional cooperation. The 5+5 meetings have over the last year made substantial inroads to JHA cooperation in the western Mediterranean.

Shortcomings and Failures

These advances are offset, however, by the following less satisfactory elements:

- One of the main shortfalls concerns the EU itself: The Union is still not a coherent security actor, and its policy initiatives towards the Mediterranean are ‘caught between conflicting constructions of interests, strategies, threats and identity’;²³
- EMP cooperation related to the political and security partnership has actually been shrinking since 1995 and the Charter for Peace and Security remains frozen;
- There has been no engagement in the field of confidence building measures, transparency measures, civil-military relations, defence education and other efforts that were tabled or considered in the EMP context over the last ten years;
- Despite the increased importance of cooperation and dialogue on internal security, there is still no ‘properly structured dialogue on justice and home affairs’ in the EMP;²⁴
- Over the past ten years, south-south relations did not improve: there continues to be a lack of economic integration and political alignment, and the Algerian-Moroccan border remains closed;
- As the EU’s common security approach towards the Mediterranean region failed to materialise, bilateral military cooperation continues to prevail;
- A policy of exceptionalism adopted by some EU member states – especially France, Spain and Italy – continues to shape EU policy towards the southern Mediterranean region. One example relates to Spanish-Moroccan frictions,

²² Rosa Balfour, ‘Rethinking the Euro-Mediterranean Political and Security Dialogue’, EU Institute for Security Studies, *Occasional Paper* no. 52, Paris, May 2004, p. 9.

²³ Helle Malmvig, ‘Cooperation or Democratisation?’, DIIS, *Working Paper* no. 8, 2004.

²⁴ EuroMeSCo, *Barcelona Plus: Towards a Euro-Mediterranean Community of Democratic States*, February 2005, p. 77.

emanating especially from the dispute over the islet of Perejil, the Moroccan connections in the 11 March 2004 terrorist bombings in Madrid, a fisheries dispute and the Spanish courting of Algeria;²⁵

- One major pitfall of current EU policy with regard to the Mediterranean is the temptation to 'purchase' southern cooperation in the fight against terrorism, drug trafficking and illegal migration with an implicit agreement to keep political reform and security sector governance issues off the common agenda;
- Another obstacle continues to be the reality that Arab states would only embrace reform to the extent that it would provide more legitimacy to the ruling regime but not jeopardise its leadership;
- Longstanding conflicts in the Middle East and the Western Sahara are disrupting efforts at security building. Furthermore, the conflict-prone neighbourhood of many EMP partners strengthens the position of the armed forces within the government and society; and
- A lack of contact and coordination between EU and NATO (or the Political and Security Committee (PSC) and the North Atlantic Council (NAC)) with regards to security partnership building projects in the Mediterranean.

Future Developments

The EU's focus on and approach to security cooperation could be enhanced through a range of different principles and measures, including:

- Future cooperation should proceed in an *à la carte* fashion while taking into account the evolving common normative environment;
- There is a distinct need for an intellectual and conceptual grounding of security governance in the Euro-Med framework. Unfortunately, a recent EuroMeSCo report on democracy and security did not even mention the concept of democratic governance of the security sector. This omission stands in contrast to, for instance, the 2002 UNDP Human Development Report, according to which a democracy deficit in the security sector constitutes a serious impediment to sustainable development of countries in transition;
- Democratic governance of the security sector should be inserted into the agenda of the ESDP;
- Mediterranean partners' involvement in ESDP missions should be strengthened, with governance-sensitive training for joint missions;
- The EMP should mainstream human security, as its agenda also includes security sector reform. Following the spirit of the Arab human development reports, the inextricable link between security and development should be reaffirmed at EMP ministerial meetings. The EU could develop an EMP framework for action on human security issues, such as cooperation on small and light weapons, land mines, human trafficking, and organised crime. The notion of human security and the items of an EMP human security agenda should be fed into the conclusions of ministerial meetings, but also into the work programmes of the various EMP sub-committees and the action plans of the ENP and association agreements;
- The discussion on a counter-terrorism doctrine and a code of conduct on terrorism should make human rights protection and judicial reform an

²⁵ Richard Gillespie, 'Spain and Morocco: Towards a Reform Agenda?', FRIDE, *Working Paper* no. 6, April 2005.

integral part of strategy. Furthermore, a properly structured dialogue on justice and home affairs needs to be developed, possibly with a new and generic EMP institution;

- The strengthened cooperation between law enforcement agencies across the Mediterranean is an important development, but the EU should not ignore the fact that most internal security forces of southern Mediterranean countries have a serious governance problem, which should also be addressed;
- The EU must come to the understanding that security sector reform is an integral part of reform efforts of the Mediterranean partner states. Thus, regardless of the intensity of the EU's political reform policy, the time is ripe to agree within the EU to a policy that presents security sector reform as a medium to long-term objective of the Euro-Mediterranean Partnership;
- ENP action plans should include some requirements regarding democratic governance of the security sector. Since the association agreements include legally binding commitments on human rights cooperation, it should also be possible in the medium-term to insert provisions regarding the security sector;
- In view of the various regional impediments and sensitivities to security sector reform, the EMP partners could, as a first step, insert questions of parliamentary oversight over the defence sector in the agenda of the new Euro-Mediterranean Parliamentary Assembly. In this context, the linkage between excessive defence expenditures and underdevelopment should be taken into account. Topics of parliamentary discussion could furthermore include the role of budget control, defence reform, democratic policing and the parliamentary oversight over defence resource management. In this context, it would also make sense to create a Defence Committee of the Euro-Mediterranean Parliamentary Assembly;
- There exists a clear need to foster cooperation between the EU and NATO with regards to the Mediterranean. Both the EU with its EMP and NATO with its Mediterranean Dialogue partner states pursue similar objectives in the domain of 'soft' security, peace mission interoperability, military-to-military and civil-military relations, as well as border security. Short of a transatlantic strategy to promote democratic governance of the security sectors in the region, the EU and NATO should at least establish institutional relations in Brussels with regards to the Mediterranean in order to ensure information sharing and coordination. A working link – similar to that under the Berlin Plus arrangement – should be set up between NATO's Supreme Headquarters Allied Powers Europe (SHAPE) and the EU's PSC. Information exchange should also be considered between NATO's Regional Affairs and Mediterranean Dialogue Section (Political Affairs Division) and the EU Commission's Directorate-General F1 (EuroMed and regional issues) as well as with the Directorate-General E, Directorate 5 of the EU Council; and
- The Charter of Peace and Security in the Mediterranean should be revitalised, taking into account developments in the security sector over the last ten years, including the blurring of external and internal security. The new Charter should contain language on the need for security sector governance, with particular reference to the linkage between sustainable development and the need to downsize defence sectors and expenditures in the region. It should also introduce the notion of human security, drop the dogma of security indivisibility and add to the original text the principles of self-differentiation and complementarity of sub-regional security cooperation.

Chapter 6

Immigration and the Euro-Mediterranean Partnership

Bichara Khader

The third basket of the Euro-Mediterranean Partnership (EMP) relates to social, cultural and human affairs. Entitled 'Developing human resources, promoting understanding between cultures and exchanges between civil societies', it includes recommendations on issues such as respect for other cultures and religions, the development of human resources, improvements within the health sector, decentralised cooperation, civil society contributions and support for the rule of law.

Additionally, it addresses issues related to illegal immigration, terrorism, international crime and drug trafficking. These 'cross-border' risks should have been included within the first basket of the EMP, which deals with 'the definition of a common area of peace and stability through the reinforcement of political and security dialogue.' Perhaps an explanation for their inclusion in the third basket lies in the horizontal nature of the issues or in the 'pillar' structure of the European Union since the Maastricht Treaty.¹ However, the classification of these 'cross-border' risks is nevertheless inappropriate. This inadvisable mode of classification continues with the inclusion of 'illegal' immigration amongst the other 'transnational risks' – terrorism, organised crime and drug trafficking – listed in the Barcelona Declaration. The criminalisation of migration not only makes EU policies unrealistic politically but also inhumane. In general, the overall philosophy of the EMP seems to have as a guiding principle the prioritisation of European security, exposing the Barcelona Process as an order, rather than a *partnership-building* endeavour.²

Free Movement and 'Cordons Sanitaires'

The changes in economic trends in Europe, accelerated by the 1973 and 1979 oil crises, led to a revision of European states' migration policies. There was a general move towards increased restrictions (closing of the borders), positive measures (measures for the integration of immigrants already settled in a country, and new incentives (repatriation grants). Today we see how border controls, rather than deterring those wishing to enter European territory, have served to accelerate the shift towards clandestine immigration, including increasingly sophisticated smuggling operations. Integration also remains a controversial issue, mainly because it lays bare the gap that exists between a generous rhetoric and the realities on the ground. Policies to provide repatriation grants have failed miserably³ while migratory flows have found other ways of circumventing 'cordons sanitaires' such as visas, surveillance and electronic monitoring.

All three measures, that is, closure, repatriation and integration, have exposed the shortcomings and inconsistencies of migration policies. All this took place in the 1980s while the single market with its four freedoms, including the free movement of people, was being implemented. The Schengen visa might have created the illusion that there was some border control, but it did not prevent immigration, and certainly not illegal immigration. Since then we have witnessed a chaotic and inconsistent situation where safety measures – controls, visas, limitation of the use of rights of asylum, etc. – coexist with more realistic practices, on the part of those countries that periodically regularise the situation of so-called illegal immigrants. At the Council in

¹ Erwan Lannon, *La politique Méditerranéenne de l'Union Européenne* (thesis, University of Rennes), 2002.

² See the excellent article by Dimitris Chrysochoou, 'Organising the Mediterranean: the State of the Barcelona Process', *Agora Without Frontiers*, vol. 9, no. 4, 2004.

³ The immigrants who decided to give up on returning home and took the challenge of permanently settling in their country of destination.

Seville, some even went so far as to threaten linking development aid to the control of immigration in the countries of origin – this whilst offering countries of origin a partnership aimed at curbing migratory flows at source. It is in this same spirit that on 13 June 2002, the Council adopted an action plan on administrative cooperation in matters of borders, visas, asylum and immigration. Similarly, on 14 October of the same year, the Commission published Communication 564 on the European policy for the repatriation of illegal immigrants voluntarily or by force. Finally, the Council adopted a regulation⁴ on the creation of an International Agency for the management and operational cooperation between the member states on the outside borders of the EU.

Consequently, the control of the EU's external borders is becoming increasingly sophisticated. On 13 December 2004, the Council adopted a regulation establishing an obligation for national services systematically to stamp people's papers when they enter the Schengen area. Two weeks later the Commission introduced the Visa Information System aimed at improving external border controls by granting border guards access to a database containing all visa information – relating to issued, cancelled or denied visas – as well as the biometric data of visa holders.

Border control is exercised at the authorised entry points along the external border of the EU and even within the EU territory in airports or train stations. But control is not limited to Europe's external borders as there is also some surveillance at EU internal borders. In its 7 May 2002 Communication, the Commission suggested establishing a 'European border control corps' to carry out surveillance missions. An ad-hoc EU agency – provided for by the Regulation of 24 October 2004 – will start operating in 2005. The agency is expected to merge all the antennas created as part of the pilot project carried out by member states.⁵ Along the same lines, European states are also strengthening their legal apparatus in a more restrictive fashion: the Spanish *Ley de Extranjería* (national immigration law) of 2003 is tightening up selection criteria, the draft German bill of 2004 on the Restructuring of Immigration Management Procedures points to a selective opening, whilst the November 2002 British Act on Nationality, Immigration and the Right of Asylum tries to fight clandestine immigration and limit the right to asylum.

A European Immigration Policy

The control or surveillance measures advocated by EU authorities as well as the restrictive policies adopted by member states reflect security concerns, especially after 11 September 2001 (9/11), which had an undoubted influence on the EU's approach to free movement of peoples. But other concerns have also played a part. These include the degradation of the environment that would derive from a massive inflow of foreign populations, the risk of excessive pressure on social protection schemes, the danger of 'eroding' Europe's collective identity due to the absorption of foreign populations with different social, cultural and religious traits, increased competition in the labour market and wage dumping. These arguments tend to hide the positive contributions of migrations to the economic, demographic and cultural planes.

⁴ European Council, Regulation EC/2007/2004, 26 October 2004.

⁵ These include the Berlin project for land borders, the Rome project for air borders, the Piraeus project for maritime borders and the Madrid project for borders in the western Mediterranean area.

If the EU has started to legislate and multiply its action plans and regulations on the free movement of peoples it is because it has proven difficult to allow free movement within the 'European House' while not reaching agreement on the modes of access into this common house.⁶ It is therefore in the third pillar of the Maastricht Treaty (1992), that is, Justice and Home Affairs (JHA), and then in Title IV of the Amsterdam Treaty (1997) that the European immigration and asylum policy was born, a logical counterpart to the free movement of peoples.

This being said, the first signs of a European migration policy appeared in the early 1980s following three important developments:

- 'Border closure' policies adopted after 1974 had failed as immigration continued by means of other legal measures such as family reunifications or student visas;
- The realisation on the part of member states that independent control of immigration was an illusion; and
- The increase in political asylum-seekers in Germany.

The signing of the Saarbrücken Agreement in 1985 – which is the origin of the Schengen system – was not fortuitous. It was as a follow-up to this Agreement that the Commission tried to establish a 'binding coordination' between the member states on issues of entry, residence, access to labour markets, the fight against illegal immigration and cooperation with countries of origin.⁷ However, it was not until 14 years later at the Summit in Tampere in 1999 that a 'Europeanisation programme' of migration policies, focused on the control of new flows and on integration policies, was established. While integration policies had mixed results across countries, control policies were an overall failure. Indeed, none of the member states really tried or succeeded in curbing migratory flows. And this despite the adoption of coordinated measures such as mandatory visas, outsourcing of border control activities, asylum policies and penalties for smugglers. It is true that between 1992 and 2004, due to restrictive asylum policies,⁸ the number of asylum applications halved; but there was an increase in illegal flows of those using tourist visas or clandestine methods.

This increase is a harsh refutation of one of the presuppositions of the restrictive orthodoxy according to which the European economy does not need unskilled foreign labour.⁹ In reality we observe how there is a need within all sectors of the economy for this type of labour. In Spain, the distribution of immigration between the different sectors shows that almost 90 per cent of migrant workers work in sectors such as domestic help, construction, tourism and related services or the lower job categories in the manufacturing industry. This is true particularly for Moroccans in Spain;¹⁰ North Africans in France, Belgium and the Netherlands; Turks and Kurds in Belgium and Germany; and Pakistanis, Indians and Bengalis in the United Kingdom.

⁶ Jean-Yves Carlier, 'L'Union Européenne: quelle politique migratoire?' *La Revue Nouvelle*, Brussels, March 2005, p. 85.

⁷ European Commission, 'Guidelines for a Community Policy of Migrations' (Bulletin of the European Commission), supplement no. 9, 1985.

⁸ Sixty-three per cent of all applications for asylum in Germany in 1980 as compared to 24.3 per cent in 2001.

⁹ Giuseppe Sciortino, 'La politique migratoire européenne: une orthodoxie restrictive' in Evelyn Ritaine, *L'Europe du Sud face à l'immigration: politique de l'étranger*, Paris, PUF, 2005, p. 223.

¹⁰ Bernabé López García and Mohamed Berriane (dirs), *Atlas de la inmigración marroquí en España*, Madrid, Ediciones UAM, 2004.

In all European countries – and more particularly in southern European countries – the demand for workers is real even if the authorities insist on not recognising this. Surveys have revealed how the rates of activity of migrant workers are much higher than those of the local population.

The failure of illegal immigration control policies can be explained by several factors:

- The majority of illegal immigrants have contacts or networks of friends or relatives already living in the host country;
- The black economy of European countries – mainly in the south – still accounts for a large share of the countries' gross domestic products (GDPs). Hence, official monitoring of illegal immigration would entail the development of systematic controls focused on access to the labour market, and it would involve measures that most governments are wary of adopting.

One could ask whether the participation of illegal immigrants in the black economy is not an effect rather than a cause of restrictive policies. Massimo Carfagna¹¹ demonstrates how this is the case in Italy. The fact is that the absorption of immigrants – be they illegal or regularised – into Europe's economy demonstrates that the demand for foreign workers has not disappeared but rather has been redistributed in accordance with the evolution of Europe's labour markets.

If the European policy of fighting illegal immigration has not been successful, the coordination of visa and asylum policies seems to have fared better. Member states have in fact agreed on a joint type of visa for Europe as well as on a list of third countries whose nationals require a visa. Today, the Arab countries around the Mediterranean are on the list of those who require visas, but central European countries as well as most South American countries are not. This is an obvious discrimination that fuels the perception that the Mediterranean is considered as an area of crisis and insecurity.

If visa requirements were supposed to guarantee the safety of citizens by preventing terrorism and illegal immigration, we have to recognise that this objective is far from being achieved, as demonstrated by the terrorist attacks perpetrated in Europe. The increase in the number of immigrants is a reality: in Spain, numbers multiplied by seven between 1992 and 2004;¹² and in Italy they multiplied by 30 between 1970 and 2004, and doubled between 2000 and 2004.¹³ Visas limit temporary mobility yet seem to encourage both clandestine immigration and permanent settlement in Europe. The removal of visa requirements for central and eastern European countries – before and after they joined the Union – and for South Americans, did not lead to massive inflows of immigrants. The case of Ecuadorian immigrants in Spain remains the only counter-example to date. Based on this analysis, it is legitimate to question the usefulness of visa requirements and to consider whether their removal might be a more realistic policy in terms of easing circulation within the Mediterranean area, perhaps leading

¹¹ Massimo Carfagna, 'I Sommersi e i sanati: le regolarizzazioni degli immigrati in Italia', in Asher Colombo and Giuseppe Sciortino (eds), *Assimilati ed esclusi*, Bologna, Il Mulino, 2002.

¹² From 500,000 to 3,500,000 in 2004.

¹³ From 1,341,000 in 2000 to 2,730,000 in 2004.

to the disappearance of mafia-like networks of smugglers and, consequently, curbing the flow of illegal immigrants. Aware of these issues, the European Parliament has recommended the establishment of a more flexible visa system.

The Mediterranean as Priority Concern

Although Europe's prescriptive texts refer to immigration and free movement of peoples in general, it is the southern Mediterranean area that is the object of all attention, concern and controls. Of Europe's 20 million migrants of foreign origin, the Mediterranean – mainly from the Maghreb and Turkey – accounts for almost 9 million. One can anticipate that demographic differentials between the two sides of the Mediterranean, differences in age structures¹⁴ and low job-creation potential will increase the desire to emigrate.

In its present format and given its overarching philosophy, the Euro-Mediterranean Partnership will have trouble paving the way for a true free trade area where everyone and everything may travel freely. While goods, services and capital may travel, the people from the South must stay home. And this is precisely one of the legitimate criticisms levied against the Partnership. Will the concern over the protection of European countries prevail over the humanist desire to protect all people? This seems to be the case as illustrated daily by the *espaldas mojadas*¹⁵ arriving on Spanish coasts: in 2003, the Spanish police arrested almost 90,000 of such arrivals as they were trying to land on Spanish soil. It is also made obvious by the proposal to create camps, in or close to the countries of origin, from which asylum seekers would be selected; as was the case with Italy's proposal to establish such camps in Libya. Similarly, under the veil of sound management, outsourcing the review of asylum applications to the source country instead of doing it on arrival pushes the problem upstream.

Periodical regularisations, which take place in Spain, Italy, Belgium and other countries, reveal the fact that most immigrants from the southern side of the Mediterranean are illegal. The last regularisation, which took place in Spain in May 2005, involved almost 700,000 illegal immigrants. Following the Spanish example, France is also considering a regularisation procedure for its 200,000 to 400,000 illegal immigrants.¹⁶

In order to suppress this type of immigration and rein it in at source, European legislation has multiplied sanctions and control mechanisms, including:

- Sanctions against those transporting people without visas;
- Relaying of passenger information;
- Individual and collective deportations; and
- Signing of readmission agreements with the countries of origin.

Even more worrying is the fact that the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families – adopted by the

¹⁴ Almost 50 per cent of the Arab population around the Mediterranean and 43 per cent of the Turkish population are under 20 years of age.

¹⁵ This term refers to the human wave that arrives to Spanish shores from Africa. It literally means 'wetbacks' and is the term used by Americans to describe Mexicans who swim across the Río Grande to the United States.

¹⁶ Interior Ministry estimates, published in *Le Figaro* on 11 May 2005.

United Nations in 1990 and implemented in 2003 – has been ratified by Morocco and other Mediterranean countries but not by any European country.

Migration in the Euro-Mediterranean Partnership Area

In the third basket of the Barcelona Declaration, the 27 signatory countries make a clear distinction between migration and illegal immigration. But even if the nuance is there, the facts are staggering: in the 1990s, legal immigration from Mediterranean partner countries represented only 8 to 10 per cent of the total immigration to the EU. If on the one hand, the 27 partners acknowledge, in the Barcelona Declaration, 'the importance of the role played by migration in their relationships,' they also add that they must cooperate in order to 'reduce migratory pressures, among other things through vocational training programmes and programmes of assistance for job creation.' These ideas were recaptured during the first Euro-Mediterranean meeting of experts on migration and human exchange held in The Hague.¹⁷ The experts proved to be more realistic than the states they represent. They underlined the need for an integrated and balanced approach in the handling of the migration phenomenon and of exchanges whilst making a distinction between migrations and movement of people. Although in a spirit of cooperation they opposed illegal immigration, they nevertheless recognised that it 'is improbable that in the short to medium-term, there will be a reduction of incentives to immigration from the Mediterranean area to Europe' and that Mediterranean countries themselves would probably continue to face migratory flows from sub-Saharan Africa and Asia. Finally, the experts committed themselves to 'protecting all the rights granted by the present legislation to those immigrants that are legally established in their respective territories.'

The experts' forum made no reference, however, to the measures needed to fight discrimination. In contrast, in regards to illegal immigration, precise rules are being advocated and even being included in association agreements regarding the conditions for the repatriation of illegal immigrants, the reintegration of repatriated people or their readmission into their countries of origin. The latter provision is, however, not found in the Tunisia-EU Agreement even though the largest share of illegal immigrants entering Italy comes from this country. These types of provisions are much more precise when it comes to the association agreement between Egypt and the EU signed in March 2001, where Article 68 states that the two signatories agree to 'prevent and control illegal immigration.' The Jordan-EU Agreement goes even further: the parties not only agree to 'authorise the repatriation of the other party's illegal immigrants present on their soil' but also pledge to 'authorise the repatriation of third country nationals and stateless persons who would have arrived on one of the party's territory coming from the other party.' Essentially, if a Chinese moved illegally to Greece through Jordan, Jordan is then forced to take the immigrant back. In addition to the issue of readmission being included in the association agreements between the EU and its Mediterranean partners, some EU countries have signed national readmission agreements with these same countries, as is the case with the Spain-Morocco Agreement.¹⁸

Rules to fight illegal immigration become more sophisticated every year. The year 2000 was key in this regard as it witnessed the flowering of multiple initiatives aimed at creating a Euro-Mediterranean judicial system. A seminar held in Marrakech¹⁹ with

¹⁷ 1-2 March 1999.

¹⁸ Such agreements had been suggested by the Valencia Action Plan in 2002.

¹⁹ 18-20 February 2000.

representation from nine European countries and seven Mediterranean countries in an attempt to set up a typology of judicial systems – Arab-Muslim, Roman-Germanic and Anglo-Saxon – was the start of the process. In April a seminar on ‘operational financial cooperation in the Mediterranean area’ set the scene for Euro-Mediterranean cooperation in the customs and judiciary areas. At the end of the Marseille Euro-Med Conference in November 2000, ministers for the first time spoke of a ‘regional programme in the area of justice and home affairs’ taking their inspiration from the conclusions of the April seminar, and even decided to organise a pilot operation for joint monitoring at sea in 2001. In this regard, everything seems to coincide in favouring the creation of a strengthened control mechanism on Europe’s borders in order to create a new area of European security. This comes through in readings of the Action Plan of the Valencia Summit, the recommendations of the Interim Summit in Crete²⁰ and – more importantly – the Naples Euro-Mediterranean Summit.²¹

Even if the texts state that it is important to deal with the issue of migration and the movement of people both from the perspective of security and of the joint management of migratory flows,²² the first aspect seems to take precedence. Hence, despite the discourse on Euro-Mediterranean fraternity and joint development, the rationale of ‘keeping Europe for the Europeans’ seems to be winning the battle over the free movement of peoples. Rarely has the issue of a European identity not been posed in the conflicting terminology of ‘us versus them’, with the term ‘others’ used to refer to both those living in European suburbs and those living outside Europe. Proof of this are the vivid debates surrounding Turkey’s admission to the EU.²³ The problem Turkey poses for Europe is not so much related to physical geography but rather to the issue of mental geography where imaginary identities seem to separate Europe from foreigners located nearby. The problem posed by immigration, in all its forms, into the European Union is therefore mainly of a cultural nature. It is therefore legitimate for it to be included in the social and cultural chapter of the Euro-Mediterranean Partnership. Unfortunately we find immigration grouped in with more negative themes such as drug trafficking and organised crime which are essentially ‘cross-border risks.’

Conclusion

The Euro-Mediterranean Partnership has been constructed on the basis of the illusion of being able to prevent free movement of peoples within a contiguous area. A review of the last decade reveals the pointlessness of such an approach. Even if the doors to legal immigration have been locked, the windows have remained half-open.

As Giuseppe Sciortino states, ‘Fortress Europe never really lifted its drawbridges.’²⁴ There is therefore a constant disparity between a restrictive political discourse aimed at winning votes and a pragmatic practice of regularisation of the situation of illegal immigrants. The real problem is therefore not so much the issue of immigration itself but rather how it is viewed by European states and their citizens. The issue tends to be instrumentalised, in order to capitalise on exclusionary, inward-looking attitudes, by the adoption of an exclusively security oriented interpretation. This obsession with

²⁰ May 2003.

²¹ December 2003.

²² See the summary by Gemma Aubarell, ‘L’année des migrations en Méditerranée’, *Annuaire de la Méditerranée* 2003, IEMed and CIDOB, pp. 207-210.

²³ See the dossier of *Questions Internationales* on ‘La Turquie et l’Europe’ Paris, La Documentation française, no.12, March-April 2005.

²⁴ Giuseppe Sciortino, *op. cit.*, p. 256.

safety and security vis-à-vis foreigners – especially those closest to us – is not just contrary to making immigration sustainable and to the reality of the demographic and economic need for immigration in an ageing continent; it is also the symptom of a loss of benchmarks. The foreigner, the immigrant, the outsider, each becomes a metaphor for what people cannot comprehend, that is, a metaphor for the globalisation of capital, information and power. This explains the disparity that exists between discourse and policies, and between a security and economic rationale, thereby leading member states to consider retention centres, sorting hubs or even immigration portals.

In the Mediterranean and elsewhere, a social process like immigration became a collective issue, then a public problem, then finally a political challenge. It is therefore not surprising that immigration is, within the framework of the Euro-Mediterranean Partnership, the epitome of political ambiguity – immigration being considered a cross-border risk just like drug trafficking – and the source of all inconsistencies – between restrictive discourse and pragmatic policies.

It is essential to protect the third basket of the Barcelona Process from security concerns and to move to the first basket all strictly security-related matters such as the fight against terrorism, drug trafficking or organised crime. Dorothee Schmid is correct to advocate 'dedicating basket three to the development of a true dialogue between both sides of the Mediterranean Sea, a dialogue which could deal with images, representations and mutual values.'²⁵ In fact, this idea has already been advocated by the Committee of Experts on cultural dialogue in the Mediterranean area.

As far as illegal immigration is concerned, the security syndrome is dominating Europe's position without providing any true solution to a complex problem.²⁶ The underlying causes of this phenomenon need to be better understood. More information is also needed on the size of Europe's ethnic minorities. Only the British have started surveys in this area and are now regularly releasing minority ethnic surveys. In Belgium, a consortium of several universities took this task on board in 2005, thanks to private sponsorship.²⁷ The EU should promote similar surveys in all member states in order to demonstrate that beyond the sense of being invaded, Europe is indeed a welcoming haven fertilised by an immigration that contributes to the continent's prosperity and reputation.

The Euro-Mediterranean Partnership must no longer limit itself to managing the constraints resulting from migration. It must go beyond this and consider migration as an asset instead of a risk. This is why a flexible visa policy – as advocated by the European Parliament – or even the removal of entry visas must be considered. Current restrictions and controls will never eliminate the desire to emigrate; they will only make the process more costly and more dangerous for immigrants and the business more profitable for the networks of smugglers. Understanding all this would constitute a first step towards viewing immigration as an essential part of Europe's proximity policy.

²⁵ Dorothee Schmid, 'Optimiser le Processus de Barcelone', EU Institute for Security Studies, *Occasional Paper* no. 36, Paris, July 2002, p. 42. See also Chapter 7 of this volume.

²⁶ Fouad Ammor, *Le partenariat euro-méditerranéen à l'heure de l'élargissement, perceptions du Sud*, Rabat, GERM, 2004, pp. 36-38.

²⁷ Seven universities from Flanders, Wallonia and Brussels are part of the consortium, which comes from the *Initiative Belge Inter-Universitaire sur l'Immigration et l'Intégration*, coordinated by Professor Bichara Khader.

Section Two: National Perspectives

Chapter 7

**France and the
Euro-Mediterranean Partnership:
The Dilemmas of a Power in
Transition**

Dorothee Schmid

France's presence in the Mediterranean space is longstanding. Yet the formulation of a Mediterranean ambition, as such, and the implementation of a correlated policy, is relatively recent. The elaboration of France's Mediterranean policy coincided with the shaping of the Euro-Mediterranean Partnership (EMP). Since the 1990s, France has continuously upheld national views in debates on this regional policy, whilst trying at the same time to convey its own Mediterranean agenda to the European arena.

This dialectical strategy can be considered as creative or obstructive, depending on the circumstances. France defends clear priorities that decisively influence the outcomes of the EMP. Its contribution has been indispensable in defining the global orientations of the Partnership, securing its financial resources and improving its visibility on the southern shore of the Mediterranean. Yet competition is now growing for intervention in the Mediterranean zone, and the French have increasingly struggled to ensure that their priorities prevail over other member states' national and/or collective preferences for the Partnership's future. In such a competitive context, France has sought to widen its space for manoeuvre, promoting new spaces for action by systematically reviving other regional fora where it can have a leadership role. The transition to common governance on Mediterranean issues has been particularly difficult for France to accept in the period since 11 September 2001 (9/11) and responding to American activism in the region has currently become a central mission for the French administration.

France's Mediterranean Policy: An Intermittent Ambition

The French historically used the Mediterranean as a natural space for national projection.¹ Yet it was rarely approached as an intrinsically coherent space, and France's Mediterranean policy only emerged as a 'second best' option.

The Mediterranean: A Choice without Continuity

France's presence in the Mediterranean is historically well documented. Its political links with its former colonies (particularly the Maghreb countries, but also Lebanon and Syria) and its cultural influence (notably through the diplomatic use of *francophonie*) have been asserted and considered as important assets to support France's external prestige. Several Mediterranean countries are still seen as part of the French *chasse gardée*. Morocco and Algeria, in particular, are clearly engaged in a very close political, economic and cultural partnership with France.² France's economic relations with these two countries are a key tool to maintain close political connection. Both states' external trade flows are strongly oriented towards France and both benefit from a high level of French public aid. France is Algeria's main trading partner, its exports having risen by 50 per cent between 2001 and 2004. Algeria benefits from the whole range of French aid instruments, including the funds normally devoted to developing countries, plus sophisticated systems of debt-investment swaps up to 287.8 million euros (the upper limit allowed by the Paris Club). Morocco's external trade and financial receipts are also dominated by the French: France is Morocco's biggest trading partner, biggest foreign investor (accounting for 49 per cent of total foreign direct investment for 1998-2002), biggest external creditor

¹ Rémy Leveau, 'La Méditerranée dans la politique française', *Etudes du CERI*, September 1987.

² Discussion is presently taking place over the establishment of a 'friendship treaty' with Algeria.

and biggest bilateral aid donor (accounting for 37 per cent of Morocco's total external aid receipts).³

Yet the Mediterranean has rarely been considered as a unified space of action per se. It was not until the 1990s that disappointment over the erstwhile 'Arab policy' and the need to reaffirm France's external supremacy encouraged an instrumental use of the Mediterranean as a regional concept.⁴ France's conversion to this notion of the Mediterranean coincided with the launching of the EMP. France participated strongly in the Euro-Mediterranean venture from the beginning and is now recognised as a chief protagonist of the Barcelona Process. Yet this relatively recent Euro-Mediterranean priority has been regularly challenged by the strength of bilateral relationships in the region, as well as by the erratic presence of the spectre of French 'Arab policy'.

The Impact of 9/11 on French Mediterranean Policy

The events of 9/11 had a paradoxical effect on the EMP:⁵ it brought back into fashion Europe's soft approach to security, but simultaneously triggered a critical reflection concerning the achievements of the Barcelona Process. The reactivation of both the political and strategic basket, as well as the cultural basket of the EMP, resulted from this critical analysis.

France has shared most European concerns regarding the stability of the region, its political future and the danger of terrorism. Yet the impact of 9/11 on France's Mediterranean policy has to be more specifically understood through its effect on the American presence in the region. The multi-level, multi-sectoral American activism that can be observed in the Mediterranean since 2002 has greatly worried the French who feel challenged within their own space of national projection.⁶ Since the American intervention in Iraq, President Chirac has tried to lead the resistance to arbitrary external intervention in the internal affairs of Arab states. This search for an alternative European way meets the old French ambition to coordinate dialogue with the Arab world.

These different factors explain the central message of the French administration for the 2005 Barcelona Euro-Mediterranean summit: the centrality and particularity of the Euro-Mediterranean Partnership must be preserved at all costs. Centrality in terms of the EMP representing the most sophisticated existing tool to tackle regional issues; and particularity, in terms of it being an exclusive club from which the American administration should be kept apart as much and as long as possible.

Priorities Anchored in the EMP

The Mediterranean might not be France's favourite organisational basis for political and economic projection, yet many distinct French priorities have been pursued primarily within the European framework.

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⁴ Hayète Chérigui, *La politique méditerranéenne de la France, entre diplomatie collective et leadership*, Paris, L'Harmattan, Collection Histoire et perspectives méditerranéennes, 1997.

⁵ Dorothee Schmid, 'Optimiser le Processus de Barcelone', EU Institute for Security Studies, *Occasional Paper* no. 36, Paris, July 2002, pp. 6-8.

⁶ Jean-Marie Paugam and Dorothee Schmid, 'Une nouvelle rivalité transatlantique en Méditerranée?', *Politique étrangère*, winter 2004-2005, pp. 754-766.

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⁶ Jean-Marie Paugam and Dorothee Schmid, 'Une nouvelle rivalité transatlantique en Méditerranée?', *Politique étrangère*, winter 2004-2005, pp. 754-766.

interests. It is partly in compensation for this that Paris has supported generous levels of aid for Mediterranean countries compared to other regions. As previously mentioned, a current French preoccupation is to prevent resources being diverted away from the Mediterranean to poorer African states, as northern member states have urged. The Quai d'Orsay's medium-term ambition is to extend the financial tools of the EU's own regional policies, in particular the structural funds, to the Mediterranean. This proposal has been supported by the Spanish, but northern European countries remain reluctant.

Finally, France has during the last two years demonstrated a renewed interest in the EMP's third basket, in two ways. The first aspect of the third basket that is strongly backed by French decision-makers relates to cultural dialogue. The French have for some time lobbied the Commission to lead a network of cultural institutes, similar to the Femise or EuroMeSCo networks. The decision to create a Euro-Mediterranean cultural foundation engendered new conflicts between southern EU member states, who competed to host and/or control the institution; France's attempts in this respect were patently in vain. The French have as a result withdrawn to some extent from Euro-Mediterranean cultural debates. By contrast, France's current effort to support a higher visibility and participation of Euro-Mediterranean civil society in the Partnership appears to have been more successful. This French commitment on civil society (within the context still of a relatively statist approach) is partly a response to American activism in the field.⁹ Moreover, the French Ministry of Foreign Affairs has a tradition of collaborating with international NGOs; the recent decision to establish the headquarters of the Euro-Mediterranean NGO platform in Paris might confirm this particular vision of cooperation between the state and NGOs.

Combining the EMP with Other Channels of Intervention

Apart from its activity in the European context, France has sought to maintain leadership within other Mediterranean fora that either complement or counterbalance the EMP. The channel of bilateral relations has also remained busy, especially with former colonies. This complex combination of settings has facilitated diplomatic flexibility, thus helping to preserve France's national freedom of manoeuvre. Each channel is used to maintain socialisation dynamics, consolidate French influence and test new concepts for possible incorporation into the EMP itself.

Bilateral French influence has directly inspired many European common positions, such as the recent reaction to the assassination of Rafik Hariri. France also remains one of the main actors in debates over the Israeli-Palestinian conflict.¹⁰ In contrast, the French have adopted a low profile on reflections over the Strategic Partnership for the Mediterranean and the Middle East, although they did not oppose this initiative. This European strategic response to American initiatives does not match the deepest convictions of French officials, who are not in favour of mixing different levels of intervention.

France has decisively contributed to reviving two frameworks of Mediterranean cooperation in which it had been involved as a major protagonist at the beginning of

⁹ The BMENA initiative, inspired by the conclusions of the first UNDP Arab Human Development Report, targeted Arab civil societies as the missing link on the path to democratisation.

¹⁰ Isabel Schäfer and Dorothee Schmid, 'La France, l'Allemagne et le conflit israélo-palestinien', *Politique étrangère*, no. 2, 2005, pp. 411-421.

the 1990s. The 5+5 dialogue was established in 1990, met in 1991 and was then dormant until 2001. The Mediterranean Forum was founded in 1994 and maintained more regular activity. The 5+5 setting has been revitalised since 2001 and assists the French preference to plan strategies at a sub-regional level, targeting the Maghreb countries. Yet the 5+5 forum also provides for closer cooperation with other European Mediterranean countries and Franco-Spanish collaboration is particularly efficient there. In contrast, the Mediterranean Forum includes countries from the eastern part of the Mediterranean, which makes it a suitable setting to discuss political matters on a regional scale.

Both frameworks have intentionally been kept informal, against the demands of some southern countries. The French have sought to avoid institutionalising these other fora, whilst reaffirming the primacy of the EMP, among other regional initiatives.¹¹ Such sub-regional initiatives are mainly considered by their European members, particularly the French, as socialisation processes and tend to be increasingly used as laboratories of ideas for the EMP. Some innovations that would be too difficult to put directly on the table in Brussels are tested at a sub-regional level with chosen partners, in a less formal environment. A code of conduct on terrorism, for instance, was elaborated and adopted in 2002 by the Mediterranean Forum, which the French have tried to multilateralise; recently, the matter was included in the Euro-Mediterranean agenda. Regional matters relating to the EMP's first basket are usually discussed in the Mediterranean Forum, while the 5+5 tends to focus on economic cooperation and migration.¹²

France is less enthusiastic towards other discussion fora in which it does not play such a dominant role, such as the NATO Mediterranean Dialogue. The suspicion remains that this institutional initiative is subordinate to American interests in the region. The Istanbul initiative, promoted by President Bush and agreed upon in June 2004, to enlarge NATO's Mediterranean Dialogue to Gulf countries was not warmly welcomed in Paris.

France's privileged relationship with some Mediterranean countries obviously affects other states' attitudes towards the Partnership. The general perception held by other European member states is that the French only raise issues at the European level once they have reached the limits of their influence at the bilateral level. Yet the quality of some bilateral relationships might be considered as a decisive asset for the EMP; most recently this has had an impact on progress made regarding the ENP.¹³ Morocco, for instance, manifested its interest in the Neighbourhood Policy very early on, and Franco-Moroccan cooperation has helped channel Morocco's enthusiasm into a concrete action plan.

A Difficult Path for a Power in Transition

This complex picture provides a synthesis of France's main foreign policy dilemmas in the Mediterranean. The country still tends to represent itself as a dominant power in

¹¹ Speech by Renaud Muselier, secretary of state for Foreign Affairs, Euro-Mediterranean Session at the Institut pour les hautes études de la Défense nationale (IHEDN), 26 January 2005.

¹² Although Michèle Alliot-Marie, the French minister of Defence, launched a security initiative within the 5+5 at the beginning of 2005, showing the flexibility of this particular framework

¹³ Iván Martín, 'La Nueva Política de Vecindad de la Unión Europea: hacia un espacio económico hispano-magrebí', *Anuario Jurídico y Económico Escurialense*, no. XXXVII, 2004, pp. 497-526.

the region, and acts accordingly, while facing stronger constraints that severely weaken its actual capacity of influence.

The Mediterranean is no longer a fragmented environment where it would be possible to play off different governments. The diplomatic game has become more regional and the parameters are too numerous to be mastered by any single country. Rising American presence in the region since 9/11 has also raised the stakes and complicated French strategic options.

The EMP was designed to confront new, transnational challenges. As a collective framework, it encompasses the ambitions of all other Mediterranean initiatives and has now developed into a system of socialisation, with formal and informal rules and norms. The circle of socialisation and cooperation, where France plays an important role but not systematically a leading one, has also enlarged recently. The re-shaping of European internal power balances, as a result of eastern enlargement, will have important consequences for the EMP's future. France's power of influence is bound to be diluted in an enlarged EU; and its credibility as an autonomous actor is likely to be impaired as well.

Adjusting to these new realities means difficult compromises for the French. France increasingly finds itself obliged to accept trade-offs between different objectives; for instance, temporarily renouncing cultural influence in order to concentrate on 'high politics'. France has found it increasingly difficult to ensure that its views prevail and consequently has had to search for smaller-scale frameworks in which to exercise a stronger influence. The French have become more sensitive to multilateral trends, appear not always to follow a consistent line and have become more flexible – attitudes that may be interpreted as the result of a weakening position.

These dilemmas of an intermediate range power are clearly revealed by France's irregular involvement in the EMP. The country has an interest in the Partnership but declines to dedicate it absolute priority, unless it is sure that the EMP can be harnessed as an instrument for specific national objectives. As a result, the 2000 French Presidency of the EU, was a relative failure in relation to the EMP, whilst the Spanish were more successful during their 2002 presidency in terms of implementing new ideas and developing the projects left unfinished by the French. France has been keen to ensure that the tenth anniversary of the EMP provides a true re-founding of the Partnership, but has not managed to engage sufficiently with the Anglo-Spanish tandem to influence the Barcelona summit. While France remains one of the main defenders of the Euro-Mediterranean Partnership, French exceptionalism itself accounts for many of the paradoxes of the EMP.

Chapter 8

**Spanish Policy towards the
Euro-Mediterranean Partnership**

Jesús A. Núñez Villaverde

The Euro-Mediterranean Partnership (EMP) will celebrate its first ten years within the context of the events of the 'Year of the Mediterranean', as the European Union has named 2005. Despite the fact that according to the initial plans, consolidation of this initiative promoted by Brussels is not expected until 2010, this anniversary and the convening of a new Euro-Mediterranean Conference in Barcelona offer the possibility of formulating a provisional appraisal. Spain's position on this issue sheds light on the extent to which the project remains valid for the future, bearing in mind the EMP's original objective of establishing a common area of peace and prosperity in the region.

Spain in the Mediterranean

From a Spanish perspective, this exercise makes perfect sense for a number of different reasons. First, because – given multiple geographical, historical and cultural factors – it is one of the countries most sensitive to the situation in the Mediterranean and one of the most vulnerable to any destabilising event. Nothing can happen in the region without it having an affect on Spain and that is why, from the very moment it joined international organisations, like the EU and NATO, Spanish governments have tried, often successfully, to draw attention to affairs in the area, even when the dominant EU trend has been to look increasingly towards central and eastern Europe. The result of this effort was, amongst others, the NATO Dialogue with some Mediterranean countries (which is also now ten years old) and the Partnership itself, preceded, in 1991, by the Arab-Israeli Peace Conference in Madrid.

Second, the tenth anniversary summit is important to Madrid because Spain has been the country most determined, since the end of the 1980s, to voice the need to move beyond previous Euro-Mediterranean relationship models like the Global Mediterranean Policy, but also the Renewed Mediterranean Policy, which operated before the EMP was created. It should be remembered that the foundations of the EMP were already present in the 1989 Spanish-Italian proposal to launch a Conference on Security and Cooperation in the Mediterranean (CSCM), in an effort to take advantage of what could be learnt from the Conference on Security and Cooperation in Europe (CSCE) and its Helsinki Final Act (1975). The determining political factors at the time – namely Washington's lack of enthusiasm for the initiative and the gravity of the Palestinian-Israeli conflict – rendered these efforts unsuccessful.

Despite its initial failure, this diplomatic effort would later help make the Barcelona Process possible. Spain was a lead player in the development of the process, a fact generally accepted by the rest of the Community as reflected in the decision to launch the partnership from Barcelona. It cannot be claimed that the EMP is a Spanish product, but it is essential to acknowledge that Spain played a fundamental role in its conception.

Thirdly, the EMP remains key to Spain because many Spanish foreign policy interests are concentrated in this region. The Mediterranean, especially Algeria and Libya, is an increasingly important source of energy supplies for Spain. Hydrocarbons from the eastern Mediterranean (Turkey) and the Persian Gulf also have to pass through the region. Although in overall terms Spanish commercial, financial and development cooperation relations in the Mediterranean are not as significant as those in other

areas, many issues remain sensitive and locally relevant: fishing (Mauritania and Morocco), phosphates (Morocco), textiles (both Morocco and Turkey, as well as other countries) and agricultural products (with Morocco, Tunisia and also Israel as possible competitors in certain cases). More specifically, taking 2004 foreign trade data as a reference, it is worth noting that nine of the countries in the region,¹ with Turkey at the head, are among the 50 main destinations of Spanish exports and eleven are among the top 50 from which imports originate,² with Algeria in first place. Nevertheless, despite some declarations to the contrary and an obvious energy dependency, the Mediterranean is an area of secondary importance in terms of Spanish foreign trade, representing in 2003 only 7.8 per cent of sales abroad and 6.5 per cent of purchases. Morocco deserves special mention, given that Spain is this country's second most important provider and its third most important customer. If the figures of informal trade via Ceuta and Melilla were included, Spain would oust France from the position of primary provider.

Similar considerations are valid when analysing Spain's foreign investment trends and the amount of official development assistance (ODA) allocated to the Mediterranean. The Mediterranean absorbed scarcely 0.2 per cent of the total net foreign investment made by Spain in 2000, and in 2004 it received only 0.16 per cent of Spanish foreign direct investment (FDI). With regards to official development assistance, the same imbalance exists between official statements and reality, relegating the area to secondary importance. Despite the fact that the Spanish Aid Agency's official documents³ identify many of these countries as priorities or as candidates for preferential treatment, in practice they received only 15 per cent of bilateral ODA in 2003.⁴

Besides these very tangible considerations, it is worth reiterating the importance of other, no less obvious issues, such as: the impact of international terrorism based in some countries in the area, which made its capacity for violence felt in Spain with the attacks on 11 March 2004; the continuous migratory flows that use Spain as a gateway to Europe; drug trafficking and organised crime; and the ties still linking Spain with issues in Western Sahara and with Ceuta and Melilla.

Downward Trend

Aware that it does not have the capacity to tackle the problems of underdevelopment and insecurity emanating from the area on its own, Spain has for some time tried to get its Community partners involved in the region. On the one hand, Madrid has made an attempt to break away from its traditional way of thinking – which until the mid-

¹ According to ICEX (the Spanish Institute for Foreign Trade) data for 2004, Turkey is in tenth place, followed by Morocco (11th), Algeria (19th), Saudi Arabia (32nd), United Arab Emirates (37th), Tunisia (38th), Israel (39th) and Egypt (49th).

² According to ICEX data for 2004, Algeria is in twelfth place, followed by Turkey (15th), Saudi Arabia (19th), Morocco (21st), Libya (24th), Iran (30th) and Tunisia (50th).

³ In the current 2005-2008 Master Plan for Spanish Development Aid, the following countries and areas are identified as priority: Algeria, Morocco, Mauritania, Tunisia, Sahrawi population and Palestinian territories. On the other hand, Iraq, Lebanon and Syria appear as countries needing special attention, while Egypt and Jordan are included in the list of preferential countries.

⁴ Data from the Agencia Española de Cooperación Internacional (AECI, Spanish Aid Agency) list the following aid allocations: Turkey 36.6 million euros (5th largest recipient), followed by Iraq (19.8 million euros; 17th), Jordan (19.5 million euros; 18th), Mauritania (15.4 million euros; 19th), Morocco (13.5 million euros; 21st), Palestinian territories (12.5 million euros; 25th), Tunisia (11.1 million euros; 27th), Egypt (8.3 million euros; 34th), Yemen (7.6 million euros; 35th), Sahrawi population (7.3 million euros; 36th) and Algeria (3.8 million euros; 49th).

1980s exhibited an obsession with Morocco and a consequent reluctance to support intra-Maghrebi integration. Spain has developed a wide range of agreements and treaties with its most immediate neighbours – including Morocco, but also with Tunisia and Algeria. On the other hand, Spain has deployed all its resources to attract its EU partners' attention to the serious problems in the region, and has often acted as a defender of the causes important to its southern neighbours within the European Union. This effort has led to a generalised recognition of Spain as a valid intermediary in the area and to its prominence within international organisations in relation to Mediterranean affairs.

However, both Spain's actions and its weight in the regional arena have more recently weakened. Trends in Spanish policies towards the area have not been driven primarily by external developments, even after as significant an event as the attacks of 11 September 2001, but rather by successive changes in government, first in 1996 and then in 2004. A first period coincided with the Socialist (PSOE) governments of 1982 to 1996. In this period there was a greater understanding of the advantages for Spain of creating a so-called 'cushion of interests' with its southern neighbours and consolidating an extensive network of interrelations in all the spheres. At the same time, a conscious decision was made to involve the international institutions – which Spain was then entering – in Mediterranean affairs. As a collateral result of this strategy, an attempt was made to link any increase in Spain's prestige and prominence in the area to its aim of attaining greater weight and margin for manoeuvre in those very institutions.

After the People's Party (PP) took power in 1996, Spanish foreign policy switched priorities and the Mediterranean received less attention. Today it is worth remembering opinions voiced by political leaders at the time, arguing that the loss of leverage and influence was mainly due to the resistance by other EU and Atlantic partners to giving Spanish actions more leverage – Spain already had one of its nationals as an EU representative for the Arab-Israeli conflict and as the High Representative for European foreign and security policy. Scarce foreign ministry resources were diverted towards dealing with the introduction of the euro and the newly prioritised relationship with the United States. However, the attention given to other priorities does not suffice to account for the neglect of the Mediterranean.

Indeed, the Euro-Mediterranean Partnership – constantly distracted by the Arab-Israeli conflict and, later, by the Iraq crisis – has not been particularly active during its ten years of existence. However, where new initiatives have developed, such as at the 2002 summit in Valencia, Spain has not played a primary role. Similarly, it has recently become apparent, as a negative side-effect of an excessive international alignment with Washington, that Spain has not managed to obtain support from either the rest of the EU or from its southern neighbours to host a peace conference for the Near East.

Basic Premises for a New Stage

The March 2004 change of government, which ushered in a new Socialist administration, would seem to indicate a return to the Mediterranean agenda. Nevertheless, despite official public statements to the contrary, it seems that complete

confidence in the EMP's real development possibilities is lacking. Since March 2004, efforts have focused on bilateral relations, especially in the Maghreb, for instance: with Morocco, in an attempt to normalise relationships after the crisis of the islet of Perejil (in July 2002); Algeria, without trying to fuel the rivalry between Rabat and Algiers, as was the case in previous years; and efforts to define formulas for the resolution of the Western Sahara conflict.

It is precisely this thorny affair that Spanish diplomacy seems to be especially focused on, as a former colonial power obliged to abandon its traditional 'active neutrality'. Given that from the very beginning, the EMP avoided becoming a forum where ongoing regional conflicts would be addressed, the Western Sahara conflict has been absent from the Barcelona Process agenda. After the tensions generated with Morocco from the episode on Perejil, is trying to modify its classic focus (according to which the continuation of the conflict was not contrary to its national interests) to now become an advocate of a form of conflict resolution that involves all of the concerned parties. Efforts so far have not achieved any tangible result; on the contrary, the position adopted by the current government is becoming more and more untenable, as it is trying to ensure that on the one hand, Morocco, the Polisario Front and Algeria are involved and, on the other, that its actions are not seen as an attempt to normalise relationships with Rabat at all costs and as an abandonment of the Sahrawi people, whose cause is strongly supported by Spanish public opinion.⁵

Within the regional framework, Spain is trying to use its limited resources to explore the possibilities of breaking the deadlock between Arabs and Israelis, aware of the fact that the only external actor with real capacity to affect the current attitudes of the opposing sides is the United States. Today, on the basis of waning influence (both Spanish and European) and negative signals coming from the region, it is not possible to imagine Spain regaining any prominence in the short-term, either individually or within the EU framework.

However, it has been possible, with more symbolic than actual relevance, for London to shift the venue of the new Euro-Mediterranean Conference to Spain. This was the result of internal EU trade-offs and a British judgement that the tenth anniversary summit would not allow London to shine. It is also worth pointing out that the stature of the current Spanish foreign minister, Miguel Ángel Moratinos, is presented as an asset for the government in promoting Spain's return to the front line of Euro-Mediterranean affairs. Moratinos' long career in this field is widely respected and the former EU special representative to the Middle East has accumulated considerable political capital that should have a positive effect on Spain's profile in the region.

Spain and the Future of the EMP

It of course must be acknowledged that the EMP is not in its best at the moment; however, many official EU documents try to depict a more optimistic picture.⁶ On the

⁵ According to the June 2005 Barometer of the Real Instituto Elcano de Estudios Internacionales y Estratégicos, 72 per cent of Spaniards believe that the government should support the independence of the Western Sahara, compared with 16 per cent that think that the best solution would be extensive autonomy under Morocco's regime.

⁶ An example is the one the Commission prepared last April for the European Council and the European Parliament, see Commission of the European Communities, *Tenth Anniversary of the Euro-Mediterranean Partnership: A Work Programme to Meet the Challenges of the Next Five Years*, Communication to the Council and European Parliament, 2005.

whole, the Mediterranean today is neither more secure nor more economically developed than it was ten years ago.

Re-launching the EMP does not depend on the determination of one or more European governments. Spain can and must, logically, do everything within its power to consolidate an instrument that is still today appropriately formulated and useful for the purpose of engaging its southern neighbours and contributing to development and security. However, currently, there is no guarantee that this will be a prominent issue on the EU's foreign policy agenda. In fact, as was the case at the beginning of the 1990s, mistrust is again palpable in the plans that emanate from Brussels. The argument that the launching of other initiatives such as the new European Neighbourhood Policy (ENP) will reinforce the EMP is disingenuous.

History reminds us how criticisms of the Global Mediterranean Policy led to the virtually simultaneous launch, at the beginning of the 1990s, of the Renewed Mediterranean Policy, the above-mentioned CSCM, the 5+5 Group, the Mediterranean Forum, the (ephemeral) resurgence of the Euro-Arab Dialogue and also the EMP itself. Currently, as the results accomplished within the framework of the Partnership do not meet initial aspirations,⁷ we are witnessing a shift in focus that insinuates the future is to be defined by the ENP and its action plans for each of the southern partners. Because it is simply not politically feasible to announce the abandonment of the EMP, declarations of intent support both initiatives simultaneously.

Within this framework, and from an individual perspective, Spain is forced to defend the new ENP, even though it fears that the policy will end up having an adverse effect on the Partnership. Consequently, Spain has been reluctant formally to announce its priorities for the tenth anniversary summit, as it is aware of the risk it runs if it does not succeed in converting its objectives into political commitments. Alongside appeals to promote good governance, political reform and education, there are other more specific declared aims, such as those that refer to the possible inclusion of Mauritania as a full member of the EMP in the short-term and Libya in the medium-term (both countries currently have observer status). There has also been mention of the intention to initiate a human rights observatory and a programme for students from the Euro-Mediterranean area similar to the Erasmus programme. This simple list, together with the low profile diplomacy it has already started to adopt, leads us to conclude that, in order to prevent counterproductive failures that may block future developments, Spain has opted not to include in the agenda other issues that it has demanded on so many other occasions in so many for a, such as: the creation of the Mediterranean Development Bank, the holding of Euro-Mediterranean conferences in southern Mediterranean countries, EU initiatives on external debt, a definition of terrorism agreed upon by consensus and an agenda on how to tackle it, the formulation of a common strategy for the management of migratory flows⁸ and the activation of co-development projects.

What is relevant is not so much what is on the Spanish list of initiatives now for the November summit, but rather the conference's outcome. This is a meeting that will be

⁷ For a global analysis of the relationships between the EU and non-European Mediterranean countries, with special emphasis on the EMP, see Jesús A. Núñez, *Las relaciones de la UE con sus vecinos mediterráneos*, Enciclopedia del Mediterráneo, Barcelona, Icaria, 2005.

⁸ The recent regularisation process of immigrants in Spain could serve as a guide to address the phenomenon, which, as seen since the Seville European Council (June 2002), has a clearly policy-based focus.

held under the negative influence of powerful factors that could ruin any ambition. On the one hand, the current EU crisis, after the French and Dutch rejection of the Constitutional Treaty, will have a direct, although hopefully short-lived, effect on the development of a more common EU foreign policy. On the other hand, it is obvious that the Arab-Israeli conflict will continue to be a considerable hindrance to the development of the Partnership. Believing that the unilateral withdrawal of Israeli settlers from the Gaza Strip will lead to an immediate improvement in terms of peace in the region is wishful thinking rather than realistic prediction. Finally, the effects of the attacks of 11 September 2001 (New York), 11 March 2004 (Madrid) and 7 July 2005 (London) are placing increasing strain on the Partnership's progress. It is obvious that there is enormous pressure to adopt ever more restrictive frameworks in the area that are in line with a vision of security obsessed with controlling people's movements and with the fight against Islamist-rooted international terrorism. Under these conditions, it will not be easy to avoid the temptation to adopt behavioural modes characteristic of a clash of civilisations and of the misnamed 'war against terror', at the risk of foiling the proposal launched by the current Spanish government for an Alliance of Civilisations

In short, the tenth anniversary of the EMP should serve as a turning point in order to progress more decisively towards that common horizon of development and security. However, the process may be blocked yet again as a combined result of a lack of willingness to take on the need to adjust traditional means of collaboration with and support for autocratic political regimes, and of an accumulation of negative dynamics that are deeply-rooted on the southern and eastern shores of the region.

Chapter 9

German Policies in the Mediterranean

Annette Jünemann

During ten years of active participation in the Barcelona Process, Germany – although a central European country – has become a fully integrated member of the Euro-Mediterranean Partnership (EMP). The enhanced German interest in the Mediterranean took some time to emerge, however, and has been seen only amongst the political and academic elite and specialised NGOs that deal regularly with the EMP. The broader German public, like in most other EU member states, still has little knowledge of the EMP and little interest in the region. Due to the failure of Germany's political elite to explain changes in the foreign policy agenda to the public, the terror attacks of 11 September 2001 (9/11) may be reviving negative stereotypes of the region and Islam. Against this background the government has adopted a multi-faceted strategy. Germany has participated in the fight against terrorism with all possible means, including tendencies to securitise Euro-Mediterranean relations through the field of Justice and Home Affairs (JHA).¹ However, these tendencies are balanced by innovative and positive approaches to strengthening the EMP, including in relation to the so-far strongly neglected Islamist sphere of civil society.

Getting Involved in the Mediterranean

After the Cold War, Germany's foreign policy quite naturally focused on in its eastern neighbourhood. Other conflict-ridden regions, like the Mediterranean, were left to the responsibility of southern European countries, especially Spain and France. However, this distribution of responsibilities did not last long, since all three countries very soon started to expand their foreign policy interests eastwards *and* southwards. A number of reasons explain Germany's growing commitment to the Mediterranean.

Since reunification, Germany has become the biggest EU member state and has shifted from occupying a geopolitical position at the periphery to a position right at the centre of Europe. This provoked fears that Germany might relapse into its old tradition of a nationalist, perhaps even aggressive, foreign policy. Consequently, to counterbalance such fears, German foreign policy-makers avoided provocative unilateralism. Although Germany regained its full international sovereignty, multilateralism and supra-nationalism remained cornerstones of German foreign policy. This explains why Germany has become such a strong supporter of Europe's Common Foreign and Security Policy (CFSP), one of the key achievements of the Maastricht Treaty in 1993. Within the framework of CFSP, however, Germany has sought a stronger voice. Germany wants to free itself from its traditional role as an international 'payer' and become a real 'player'. CFSP is the only realistic framework for these ambitions.

Supporting CFSP in this fashion implies sharing the EU's responsibilities in all geographical regions that are of interest for the Union. In 1992, the European Council declared central and eastern Europe *and* the Mediterranean to be geographical regions for joint actions within the framework of CFSP.² Consequently, Germany started to become more involved in Mediterranean politics, even though the South was not top of its list of priorities. From a European perspective, Germany's involvement in the South resulted from the fresh dynamics engendered by the newly established CFSP.

¹ Securitisation, according to Buzan, starts when an 'issue is presented as such an existential security threat that top priority has to be given to tackling it, allowing even the breaking of existing rules'. B. Buzan, O. Waever and J. de Wilde, *Security: a New Framework for Analysis*, Boulder, Lynne Rienner, 1998, p. 24.

² See conclusions of the EU-Lisbon summit in June 1992. Available at http://www.europarl.eu.int/summits/lisbon/default_en.htm (4 July 2005).

Not only CFSP, but also other dynamics of the integration process enhanced this development. Germany soon had to recognise how little geographical distances matter in an increasingly deeply integrated Union. The soft security threats that had been perceived as 'southern problems' – illegal migration, organised crime, environmental pollution, Islamic fundamentalism, drug trafficking and international terrorism – have become 'European problems'. Since the abolishment of border controls within the Schengen area, national borders have become less relevant and Germany has itself virtually become a Mediterranean country. Helping to stabilise Europe's conflict-ridden southern periphery is therefore not only an act of solidarity with southern European EU member states, it is in Germany's own self-interest.

Germany took some time to adapt its foreign policy to these paradigm shifts. When Italy, Spain and France, as well as the European Commission started to prepare for the EMP, it was not easy to convince Germany and other northern member states fully to support the initiative.³ Once on board, however, Germany developed an increasingly active role within the EMP.⁴

German Interests and the Three Baskets of the Barcelona Process

Germany's key concern in the context of the EMP has been about security. It shares the broad definition of security as enshrined in the Barcelona Declaration and the comprehensive civilian approach to dealing with manifold soft security issues. Diplomacy and economy are the classical instruments that a civilian power uses to shape international relations. The three inter-linked baskets of the EMP are based on such instruments and taken together aim at the development of peace, stability and prosperity in the Mediterranean region. This means, however, that the EMP is a European approach to shaping the Mediterranean region, notwithstanding all the rhetoric suggesting equal partnership with southern Mediterranean states.

The Free Trade Area as a Step towards Economic Development and Political Stability

The Economic and Financial Partnership is the most developed basket of the Barcelona Process. This is not surprising since the EMP builds on decades of Euro-Mediterranean trade relations, whereas both the Political and Security basket and the Social, Cultural and Human Affairs basket are innovations introduced by the Barcelona Process. This does not mean that the economic basket should be seen as the most important. Relevance depends on the interests at stake: as an export oriented country, Germany stands to gain strongly from the Euro-Mediterranean free trade area. While the southern European countries cling to protectionism, especially for Mediterranean products like tomatoes and olives, Germany supports free trade and open markets.

³ 'The key to overcoming northern objections expressed by Germany, the United Kingdom and the Netherlands lays in persuading Chancellor Kohl of the necessity of the new initiative. ... González threatened in September 1994 to block the eastern enlargement of the EU. It was only at the Essen Council in December [1994] that Kohl came to accept the notion that the southern frontier was crucial to the Union's stability and that there was a need to rebalance the EU's external relations. With the Germans on board, resistance from other countries declined in early 1995'. Richard Gillespie, 'Spanish Protagonismo and the Euro-Med Partnership Initiative', *Mediterranean Politics*, vol. 2, no. 1, summer 1997, p. 39.

⁴ Holding the EU Presidency in 1994, Germany used its leading position to push the project forward and the foreign ministry contributed to the drafting of the EMP. As part of the Troika in 1995, Germany also participated in the first round of negotiations with Mediterranean partner countries. For details see Annette Jünemann, 'Deutsche Mittelmeerpolitik im europäischen Rahmen. Defizite im Nahen Osten und in der Türkei', in *Aus Politik und Zeitgeschichte*, B, vol. 17, no. 99, 23 April 1999, pp. 11-19.

The following table gives an overview of Germany's foreign trade with the Mediterranean partner countries at a bilateral level.⁵

	German imports (in millions of €)	German exports (in millions of €)
Egypt	508.8 (059)	1,423.1 (049)
Algeria	823.4 (054)	974.7 (054)
Israel	1,256.2 (045)	2,463.9 (043)
Jordan	46.9 (110)	478.8 (073)
Lebanon	22.8 (124)	577.4 (068)
Libya	2,834.8 (032)	655.3 (066)
Morocco	453.7 (061)	983.4 (053)
Syria	883.9 (052)	520.4 (071)
Tunisia	823.7 (053)	945.9 (055)
Palestine	not listed	not listed

- Provisional results, 2004. Data regarding the ship and aircraft industry not included.
- The number in parentheses indicates the position of that state in the German foreign trade list.

With the exception of Syria and Libya (which is only an observer of the EMP), trade relations are obviously unbalanced, with Germany running a trade surplus. Overall, however, Germany's economic interests, including foreign investment, remain focused far more on eastern Europe than on the southern Mediterranean.

In this context German bilateral development aid has some importance. The total bilateral official development assistance (ODA) net payments by the Federal Ministry for Economic Cooperation and Development in 2003 to Middle Eastern and North African states (in millions of euros) can be seen in the following table.⁶

Country	Total	Benefits	Loans
Egypt	87.122	76.920	10.202
Algeria	0.054	10.965	-10.910
Libya	-	-	-
Morocco	13.895	56.132	-42.237
Tunisia	10.342	25.999	-15.658
Jordan	44.561	59.614	-15.053
Lebanon	7.858	8.359	-0.501
Israel	-	-	-
Palestine	31.257	31.257	-
Syria	-0.552	17.298	-17.850
WORLD	3593.319	4193.105	-599.786

- --: Not categorised as a developing country that year, according to the criteria of the Organisation for Economic Cooperation and Development (OECD).
- Negative amounts in the column 'Total' are the result of the difference between benefits/loans and repayment by the countries.
- Note that the payments made by this ministry are only one part of total German ODA payments.

⁵ 'Statistisches Bundesamt: Rangfolge der Handelspartner im Außenhandel der Bundesrepublik Deutschland' Vorläufige Ergebnisse, Wiesbaden, 2004. Available at <http://www.destatis.de/download/d/aussh/rangfolge04.pdf> (19 May 2005).

⁶ Excerpt from BMZ / Referat 304 - Statistik und Berichtswesen: Bilaterale ODA-Nettoauszahlungen nach Ländern - Mehrjahresvergleich. Available at http://www.bmz.de/de/zahlen/imDetail/Bilaterale_ODA_Mehrsjahresvergleich_2003.pdf (24 May 2005).

To be added to these sums are 438,033 euros forwarded by Germany in support of NGOs throughout the Mediterranean region, and an additional yet minor sum that is distributed to the Mediterranean partner countries by the German Länder.⁷

The EU and its member states, the 'authors' of the Barcelona concept, have conceived the economic basket as a *means* to an *end*: security. This reasoning has been shared by Germany. Although Germany has economic interests at stake, it perceives the EMP essentially as a contribution to EU *security* policy. It is not for economic reasons that Germany has become more active in the Barcelona Process. The socio-economic development of the Mediterranean partner countries, accompanied by successful democratisation processes, are perceived as steps towards more stability in the region, which is seen as providing more security for Europe, including Germany. Due to the EU's incoherent implementation of the economic basket,⁸ and due to the reluctance of many Mediterranean partner states to undertake economic and democratic reforms, neither southern hopes for development and prosperity nor northern hopes for security and stability have yet been realised.

Decentralised Cooperation as a Bottom-Up Approach to Democratisation

Germany belongs to those European countries that at the beginning of the Barcelona Process were not supportive of the notion of decentralised cooperation.⁹ In debates over the content of the Barcelona Declaration, the cultural basket was controversial. While France pushed for a strong EU cultural commitment to the region as an integral part of the new policy, Germany argued that cultural politics were not the responsibility of the EU and should therefore be left out. Instead, Germany stressed the importance of the fight against drug trafficking, terrorism, organised crime and, especially, migration.¹⁰

The primary reason for Germany's hesitancy towards the cultural dimension was that the country had no real tradition of pursuing foreign cultural policies. In Germany, cultural policy is not even in the power of the national government, but is predominantly a responsibility of the Länder, and thus traditionally has only had a very limited foreign dimension. Facing France's ambitious cultural foreign policy, based, among other things, on the long tradition of *francophonie*, the German government was concerned that Paris might seek to use basket three to consolidate and extend its political influence in the Mediterranean region. The fact that basket three was indeed formulated predominantly under French influence suggested that this suspicion was not completely unfounded.

⁷ There are no statistics summarising decentralised approaches of development aid.

⁸ For an in-depth analysis of basket two see Schumacher, Tobias, 'Zum Mythos des Fortschrittsoptimismus der Euro-Mediterranen Partnerschaft: Die wirtschaftspolitische Verklammerung der EU mit den Ländern des südlichen Mittelmeerraums zwischen 1995-2005', in Cilja Harders and Annette Jünemann (eds), *10 Jahre Euro-Mediterrane Partnerschaft - Bilanz und Perspektiven*. Special Issue of *Orient*, autumn 2005 (forthcoming)

⁹ See Annette Jünemann, 'Cultural Aspects of Euro-Mediterranean Cooperation and the German Point of View', in Sonja Hegazy (ed.), *Egyptian and German Perspectives on Security in the Mediterranean*, Cairo, Friedrich-Ebert-Stiftung, 1998, pp. 143-157.

¹⁰ The compromise in this European conflict was the construction of two parts within basket three, which did not contribute to its coherence. Officially the two parts are called 'positive' (civil society, dialogue of cultures and religions) and 'negative' (fight against drug trafficking, migration, etc.). The latter has gained new importance in the aftermath of 9/11, as will be discussed further on.

A second reason for Germany's reluctance related to the difficulty in assessing whether civil society links, or decentralised cooperation, was effective. The lack of objective criteria to measure the success or failure of such projects entailed the risk of funds being misused, which has indeed subsequently happened. To avoid the mismanagement of funds, the German government supported bilateral projects run by mediators like churches, political foundations and the Goethe-Institutes.

It was not until 1999 that Germany launched its first major initiative in the framework of basket three. When the third Euro-Mediterranean ministerial conference took place in Stuttgart, Germany organised a Civil Forum to accompany the governmental event. The task was delegated to a number of German NGOs known to be critical and independent.¹¹ According to people who had attended previous Civil Forum meetings, NGOs were much more critical in Stuttgart than they had previously been, since the German organisers put more emphasis on developing the watchdog function of civil society.¹² It seems as though Germany had finally recognised that decentralised cooperation could serve as a bottom-up approach to democratisation.

The Wars in Afghanistan and Iraq

In the framework of the United Nations and NATO, Germany participated in the war against Afghanistan, where the Taliban regime had hosted al Qaeda's terror camps. In the aftermath of the hot phase of this war, Germany became one of the key players in post-conflict management. Germany did not, however, participate in the illegal and poorly legitimated war against Iraq. Germany's resistance against American pressure to join the forces can be explained by its commitment to the civilian power concept. According to this concept, military means may only be used for defence or humanitarian reasons and within the limits of international law.¹³ The 9/11 terror attacks were defined as an attack on NATO so that the war on Afghanistan fell into the realm of defence. Legal backing was given through a UN mandate. In the case of Iraq, however, it could not be proven that an attack on NATO or any other country was in preparation and there was no UN-mandate. Participation in this war would have violated the concept of a civilian power that remains part of Germany's political culture.

Unfortunately, neither Germany nor France coordinated their refusal to join the coalition within CFSP. The war on Iraq demonstrated – once again – the EU's inability to speak with one voice. In the case of Iraq, Germany ignored its traditional commitment to CFSP and gave priority to its national agenda: Chancellor Schröder had to face elections he was quite likely to lose. His firm stand against the unpopular

¹¹ In contrast to the Civil Forums organised in Barcelona 1995 and Malta 1997, Germany asked several German NGOs to organise five independent conferences instead of just one big event. The Friedrich-Ebert Foundation, an institution close to the Social Democratic Party in power, was responsible for two conferences: a Euro-Mediterranean human rights conference and a conference bringing together the social partners from both shores of the Mediterranean. The Heinrich-Böll Foundation, an institution close to the smaller coalition partner Bündnis 90/ Die Grünen, chaired an environmental Civil Forum. The German-French Institute held a Euro-Mediterranean symposium on education, research and culture, and the Chamber of Industry and Commerce in Stuttgart organised a Euro-Mediterranean economic conference.

¹² See Annette Jünemann, 'The Forum Civil Euromed: Critical Watchdog and Intercultural Mediator' in Stefania Panebianco (ed.), *A New Euro-Mediterranean Cultural Identity*, London, Frank Cass, 2003, pp 84-107.

¹³ For details on the civilian power concept see Annette Jünemann and Niklas Schörning, *Die Sicherheits- und Verteidigungspolitik der 'Zivilmacht Europa.' Ein Widerspruch in sich?* HSKF-Report 13, 2002, Frankfurt a.M., Hessische Stiftung Friedens- und Konfliktforschung, 2003.

Bush administration helped to ensure his victory at the last minute. In the Arab world, Germany's refusal to follow the war-coalition was well perceived and strengthened Germany's credibility in the region: this in turn aided Germany's role in the EMP.

Fighting Terrorism with Civilian Means

The terror attacks of 11 September 2001 have shifted the coordinates of the complex system of Euro-Mediterranean relations; they have shaken up intra-regional relations; and have influenced the evolution of domestic politics within the region. Most of these developments are to the disadvantage of political and socio-economic processes that had started to prosper in the aftermath of the Cold War. This has been reflected in EMP policies.¹⁴ Designed as an approach to de-securitise Euro-Mediterranean relations through a new partnership approach, the EMP sits uneasily in the polarised security environment that has emerged after 9/11. Since public opinion on both shores of the Mediterranean were never fully involved in the Barcelona Process, the risk of falling back into polarising stereotypes and misperceptions has further increased. Germany was – and still is – affected in various ways by the 9/11 terror attacks and the other attacks that followed:

- as the legal or illegal place of residence of al Qaeda members, helpers or sympathisers;
- through the German victims of terrorist attacks, particularly the attack in Djerba (Tunisia);
- as the second most populous country of the 'West'; and
- as a country with a large Muslim minority, comprising 2.5 million inhabitants, mostly of Turkish origin.¹⁵

After 9/11, the severely neglected Partnership in Social, Cultural and Human Affairs revived. On the one hand, it was welcomed as a framework for Euro-Mediterranean police and justice cooperation.¹⁶ On the other hand, decentralised cooperation at the level of civil society was rediscovered as an approach to fight terrorism at its roots.

Police and justice cooperation with authoritarian regimes is a double-edged sword. As is well known, in the aftermath of 9/11, many southern Mediterranean regimes exploited the new atmosphere to become more rigid, suppressing all kinds of opposition in the name of the fight against terrorism.¹⁷ EU criticism of human rights violations in Arab police stations and prisons decreased considerably after 9/11, when the Mediterranean partner countries had become indispensable allies in the fight against terrorism. Yet, unlike the United States, Germany has not resorted to expelling

¹⁴ See Annette Jünemann (ed.), *Euro-Mediterranean Relations after September 11. International, Regional and Domestic Dynamics*, London, Frank Cass, 2003.

¹⁵ Christoph Zöpel, 'September 11 – Consequences for German Foreign Policy', in Carlo Masala, *September 11 and the Future of Euro-Mediterranean Cooperation*, Centre for European Integration Studies, Discussion Paper C120, 2003, p. 9.

¹⁶ Whereas 9/11 had very little if no impact on CFSP, the terror attacks speeded up the European integration process in the third pillar, Justice and Home Affairs. This includes also interregional cooperation with Mediterranean countries. See Richard Gillespie, 'Reshaping the Agenda? The Internal Politics of the Barcelona Process in the Aftermath of September 11', in Annette Jünemann (ed.), 2003, op. cit., pp. 27-29. The fight against terrorism is also pursued in the framework of the action plans under the European Neighbourhood Policy.

¹⁷ According to the European Commission, the fight against terrorism in the wake of 9/11 has led to restrictions on civil liberties. See Commission of the European Communities, *Tenth Anniversary of the Euro-Mediterranean Partnership: A Work Programme to Meet the Challenges of the Next Five Years*, Communication to the Council and European Parliament, 2005, p. 19.

terrorist suspects to countries like Syria or Egypt. Germany did not expel the Tunisian terror suspect Mouldi C.,¹⁸ who lives with his family in Germany, to Tunisia because it was determined that there he would be tortured. The German authorities moved him into an asylum hostel and deprived him of his rights to leave the district and to use mobile phone or the Internet. These measures, however, are also questionable since the evidence against him is so weak that it has not been possible to arrest him.

Another controversial issue in this context is migration. Germany's interior minister, Otto Schilly, launched the idea of building refugee camps in North Africa.¹⁹ This can be seen as an effort to prevent people from risking their lives in the attempt to cross the Mediterranean. It can also be seen as an approach to transfer the burden of dealing with refugees and asylum-seekers to the Mediterranean partner countries themselves. Since it is most likely that placing together hundreds of desperate people in camps would breed radicalism, southern governments vehemently rejected this idea. Also, from a humanitarian and legal point of view Schilly's idea has to be rejected. Since all North African countries are known for their deficits concerning human rights, the German proposal would deny refugees fair treatment concerning their request for asylum according to German law. Schilly's initiative, although not put into practice yet, proves that the fight against terrorism is gradually being 'securitised' in Germany.

Dialogue with Islam

In this sense, Germany's approach to fighting terrorism is not only repressive. The Foreign Ministry launched an initiative to enhance dialogue with Islam as an approach to fight terrorism at its roots.²⁰ In 2002, a 'Commissioner for dialogue with Islam', Gunter Mulack, was appointed and now has 29 officials working for him. Every member of his team speaks Arabic and is acquainted with the region. While Mullack has his office in Berlin, his team is positioned in Arab countries or countries with a predominantly Muslim population. The task of this unit is to follow the relevant discourses in Arab societies, develop contacts with civil society and identify possible project partners. The innovative aspect of this initiative is its focus on the Islamic spectrum of civil society. The biggest deficit of decentralised cooperation as organised by the EU in the framework of basket three has been that the EU had concentrated on the rather small spectrum of secular intellectuals. Although it is much easier for Europeans to cooperate with secular partners, there is a growing awareness that the problem of how to integrate Islamists has to be addressed, because the secular segments of civil society are elitist and poorly representative of societies in the southern Mediterranean. In contrast, most Islamist associations are deeply rooted in society through their charitable engagement and by filling the vacuum left by incompetent or corrupt governments. The difficulty in choosing dialogue partners within the spectrum of political Islam lies in the inscrutable links that often exist between radical and moderate groups. It is exactly this problem that Germany is trying to address with its dialogue initiative.

¹⁸ His name is not published because his guilt has not been proven.

¹⁹ See 'Europaparlament sagt NEIN zu 'Flüchtlingslagern' außerhalb der Union', *Pro Asyl Presseerklärung*, 15 October 2004. Available at <http://www.proasyl.de/presse04/okt15.htm> (4 July 2005).

²⁰ See 'Dialog mit der islamischen Welt'. Website of the Foreign Ministry. Available at http://www.auswaertiges-amt.de/www/de/aussenpolitik/kulturpolitik/islamdialog/index_html (7 July 2005).

According to Gunter Mullack, the start of the project was promising.²¹ However, as a result of the Iraq war and issues such as the pictures of Guantánamo and those of Abu Ghraib, things have changed. At the grass roots level one can feel the crisis that has evolved between the Arab and the Western world. Samuel Huntington's 'clash of civilisations' seems to have made an unexpected come back. This is not only an issue at the level of high politics; it can be felt at the societal level too. Foreigners, no matter how good their intentions, are met with growing distrust in Arab countries, and vice versa.

Conclusions

In sum, Germany has progressed towards its political aim of moving from its traditional role of a 'payer' to the more influential role of a 'player', within both the EU and the Mediterranean region. However, these steps remain subject to limitations. Southern European countries are still more influential in all areas of EU-Mediterranean policy-making and the most influential external actor in the region is still the US. Concerning developments after 9/11, Germany tries to strike a balance between repression and various political and economic attempts to solve the terrorist problem at its roots. Unfortunately, tendencies to securitise Euro-Mediterranean relations can be seen in the context of police and justice cooperation and migration policies. These have been balanced by a positive approach to revive the Barcelona Process at the level of decentralised cooperation. At the macro level, Germany seeks reconciliation with the US and will therefore cooperate in the framework of the Broader Middle East and North Africa Initiative. Hopefully Germany will thereby retain its political culture as a civilian power. However, in order to have an impact, Germany's initiatives should always be well integrated into a regional framework like the EMP.

²¹ Interview with Gunter Mullack, 'Politische Differenzen zur Sprache bringen', in *Quantara.de*. Available at http://www.quantara.de/webcom/show_article.php/_c-469/_nr-306/_p-1/i.html (7 June 2005).

Chapter 10

Italy's Policies in the Mediterranean

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¹ The author would like to thank her colleagues at the Centre for Studies in International Politics (CeSPI, Rome) for their comments and insights.

This chapter provides an overview of Italy's relations with the countries of the Euro-Mediterranean Partnership (EMP), and examines in particular three questions: the impact of 11 September 2001 (9/11) on Italian perspectives; Italy's assessment of the Barcelona Process ten years after its launch; and the importance of the initiatives that Italy has pursued outside the EMP framework. It is argued that the Mediterranean has been only a relative foreign policy priority, subordinated to Italy's concerns over its relationships within the European Union and with the United States. Shifts in Rome's policy towards its immediate south have been determined by its position within internal European debates and by the nature of its relationship with Washington. However, a number of regional dynamics might lead the country to focus more strongly on its southern neighbours in the future.

At the Heart or Margins of the Mediterranean?

Despite shades of difference over time, continuities in Italian foreign policy can be traced from the Cold War to the 1990s, and these are relevant to understanding the country's role in the Mediterranean. These continuities include support of multilateralism, reflecting a lack of specific geographic interests; the vital role attributed to participation in key alliances, especially central involvement in the process of European integration; and an orientation shared by most political parties towards maintaining good relations with Arab countries. These three general features of Italian foreign policy naturally led the country to support the launch of the Euro-Mediterranean Partnership in 1995, the NATO Mediterranean Dialogue and the various other fora of multilateral cooperation in the region.

Alongside these cornerstones, which constitute the lens through which Italy's relations with the southern Mediterranean should be read, the most important and enduring priorities – in a context in which overall Italian economic interests in the southern Mediterranean have been weak – have been to secure energy supplies, especially through the national oil company, ENI,² and to create a web of relations with the individual states in the region.³ One recent example of Italy's 'quiet diplomacy' was in the run up to the Tunis meeting of the Arab League, during which Rome arguably contributed to convincing its Arab partners to issue the reform-oriented Tunis Declaration.⁴ Most recently, reducing illegal migration has become one of the key features of Italy's relations with the southern shore of the Mediterranean.

Despite these priorities and its geographical location at the very heart of the Mediterranean, 'Italy has not been able to mobilize sufficient political energies and resources to sustain a high-policy profile in the area', focusing rather on continental Europe and during the 1990s on the Balkans.⁵ In terms of trade, for example, even though the southern Mediterranean is increasingly important for Italy's generally declining exports, eastern Europe is a more important market absorbing 10.9 per cent of Italian exports against the 2.6 per cent going to North Africa and 3.7 per cent to

² ENI has been present in Libya since the late 1950s, from which Italy imports around one third of its energy. Italy, however, has been diversifying its sources of energy supply in favour of Euro-Asian routes and in Iraq.

³ Alison Pargeter, 'Italy and the Western Mediterranean', Economic and Social Research Council, *Working paper* no. 26, June 2001.

⁴ Interview with official at the Ministry of Foreign Affairs, Rome, April 2005.

⁵ Quote from Marta Dassù and Roberto Menotti, *The Ratification of NATO Enlargement. The Case of Italy*, 1997. Available at <http://www.nato.int/acad/conf/enlarg97/dassmeno.htm>.

the Middle East.⁶ Beyond rhetorical commitments, the Mediterranean has been only a relative priority for Italian foreign policy. Although it has always supported the Euro-Mediterranean Partnership and especially the component of security cooperation, Italy has played less of a visible and dynamic role in the EMP than Spain or France. The only substantial exceptions relate to Libya (discussed below) and Tunisia. Italy is the biggest foreign investor in Tunisia, including investments in the energy sector. Eight hundred Italian enterprises, especially small and medium-sized companies, are present in Tunisia, with a total of 516 million euros in investments. These points are demonstrated in the tables below.⁷

	Imports towards Italy 2003*	Exports from Italy 2003*	Imports towards Italy of oil	Presence of Italian NGOs 2003*	Presence of resident immigrants in Italy, 2003#	Italian FDI to the southern Mediterranean§
Morocco	459.7	892.1	0	10	227.940 ⁸	6.4 (Jan-June 2004)
Algeria	4,794.4	1,169.7	4,696.3	4	16.835	148 (2003)
Tunisia	1,600.7	1,978.6	140.4	4	60.572	607 (2003)
Libya	5,216.4	1,365.1	4,990.0	0	1.087	N/A
Egypt	995.0	1,203.1	487.3	4	44,798	N/A
Israel	708.8	1,393.7	0	0	2.398	2.1 (2003)
PA	0.7	2.0	0		(214) ¹⁰	N/A
Jordan	11.7	294.0	0	(23) ⁹	2.121	Small number of joint ventures
Lebanon	25.1	661.2	0		3.525	Only two enterprises present
Syria	1,200.5	472.4	593.8	1	2.660	None

Note: All amounts are in millions of euros.

Sources:

* Except for Israel, Camera di Commercio Italo-Araba, *ItaliaMondoArabo*, Anno XIV, no. 2, April-June 2004.

⁸ Associazione ONG italiane. *The presence of Italian NGOs in the PEM countries is equivalent to 8.6 per cent of the total world presence (52 in Europe and Central Asia, 172 in Central and Latin America, 27 in southeast Asia and the Pacific, 217 in the rest of Africa).*

Caritas/Migrantes, *Immigrazione. Dossier Statistico 2004. XIV Rapporto*, Rome: IDOS – Immigrazione Dossier Statistico, 2004. Based on data from the Ministry of Interior.

§ Ministero Affari Esteri and Istituto Nazionale per il Commercio (2004), *Rapporto-Paese congiunto ICE/MAE*, Available at <http://www.ice.gov.it/informazioni/rapporto.htm>

⁶ See Raffaella Coletti, 'La politica dell'Unione europea nel bacino del Mediterraneo: opportunità per le PMI', *Promozione Firenze, quaderno di informazione imprenditoriale*, XXII, no. 1, June 2005.

⁷ Raffaella Coletti, *La grande distribuzione in Tunisia*, Istituto per il Commercio con l'Estero (ICE), January 2005.

⁸ Moroccans constitute the third largest immigrant group in Italy (10.4 per cent of all immigrants), after Romanians and Albanians.

⁹ This figure refers to the Palestinian Authority, Lebanon and Jordan.

¹⁰ These are asylum-seekers rather than immigrants.

Italy's Official Development Assistance and Official Aid (multi- and bilateral) towards the EMP Countries (in millions of euros)

	1999			2000			2001			2002			2003		
	Grants	Soft Loans Net	Total Net	Grants	Soft Loans Net	Total Net	Grants	Soft Loans Net	Total Net	Grants	Soft Loans Net	Total Net	Grants	Soft Loans Net	Total Net
Morocco	1.51	-0.24	1.27	3.77	-1.66	2.11	2.84	-2.11	0.73	2.50	-6.12	-3.62	2.16	19.78	21.94
Algeria	2.21	-5.78	-3.57	3.72	-4.76	-1.04	2.24	-5.19	-2.95	3.53	4.93	8.46	1.18	17.56	18.74
Tunisia	2.11	-21.99	-19.88	4.44	-17.34	-12.90	2.60	3.86	6.46	4.19	-3.12	1.07	4.43	-2.22	2.21
Libya	0.07	0	0.07	9.24	0	9.24	1.25	0	1.25	0.64	0	0.64	0.29	0	0.29
Egypt	20.98	67	18.31	6.42	-14.50	-8.08	5.38	-12.94	-7.56	6.27	-5.52	0.75	9.33	-5.83	3.50
Israel	0.01	0	0.01	0.06	0	0.06	0.03	0	0.03	N/A	N/A	N/A	1.73	0	1.73
PA	18.53	0	18.53	11.78	0	11.78	15.84	0	15.84	22.99	0	22.99	38.01	0.38	38.39
Jordan	2.26	-2.00	2.24	2.47	1.68	4.15	1.25	4.63	5.88	2.13	5.53	7.66	2.00	2.79	4.79
Lebanon	2.61	-0.63	1.98	3.33	0.22	3.55	2.61	-0.33	2.28	3.33	-2.37	0.96	3.04	-1.80	1.24
Syria	0.35	4.06	4.41	0.23	2.58	2.81	0.84	7.40	8.24	1.88	0.87	2.75	0.46	0.75	2.21
Total	50.64	23.37	45.46	11.68	34.88	30.20	47.46	41.66	62.63	95.04					

Source: Organisation for Economic Cooperation and Development (OECD), International Development Statistics.

Aid flows towards the region have been modest and reasonably stable, with the exception of aid to the Palestinian territories, which increased substantially as the peace process collapsed. Often loan repayments have exceeded aid contributions. Since 2002, loans to the regions have increased substantially, in particular to Algeria.

After 11 September 2001

Since 2001, the importance attributed by Italy to the EMP as the core framework for managing relations with the southern Mediterranean has changed. Not only was 2001 the year of the terrorist attacks against the US, but, a few months before 9/11, the Italian centre-right coalition came to power. Rome's traditional eagerness to participate in European integration was replaced by a governing coalition that included a wide range of views on the role of the EU – including extreme forms of Euro-scepticism – and which opted to prioritise the pursuit of closer ties with the US. The extent to which Italy's relationship with the EU became increasingly complex was evident when the foreign minister, Renato Ruggiero, appointed to reassure Italy's European partners of the country's commitment to the EU, resigned over divergences on European policy.

At the macro level Italy's 'renewed Atlanticism'¹ has had a marginal impact on the EMP. At a more detailed level, however, the prospect has emerged that Italy's role in European foreign policy is weakening because of reduced activism in the EMP, its stronger than before sensitivity towards US initiatives and its pursuit of a number of autonomous, bilateral initiatives.

In the first instance, Italy appears less concerned with playing a leadership role in the Barcelona Process. The sixth Euro-Mediterranean conference held under the Italian Presidency of the EU during the second half of 2003 produced no new initiatives to revive the ailing process, but merely agreed to those already stipulated by the

¹ Phrase used by an official at the Ministry of Foreign Affairs, interview, Rome, April 2005.

European Commission: the creation of a Euro-Mediterranean Parliamentary Assembly, an upgrading of the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) within the European Investment Bank and the creation of a Euro-Mediterranean Foundation for the Dialogue between Cultures.² The previous Italian aims of locating the foundation in Naples and of making FEMIP an autonomous facility were not achieved.

Second, Italy's policy towards the Middle East has been conditioned by the US, which has pushed Italy to extend its interests geographically to the wider Middle East, including of course Afghanistan and Iraq, where it has contributed 2,800 soldiers to the military occupation.³ In relation to the Israeli-Palestinian conflict, Italy has also shown greater conformity to US and Israeli interpretations of the Road Map,⁴ and has been pursuing closer ties with Israel. The latter aim has been pursued through prime minister Berlusconi himself, who has proclaimed the need to offer EU membership to Tel Aviv, and by Foreign minister Gianfranco Fini, who has paid visits to Israel in an attempt to distance himself from his erstwhile 'post-fascist' politics.

Thematically, Italy's sensitivity to the Bush administration's views of the Middle East can be seen in the fact that, for the first time, it has started to address democracy promotion issues through the G-8's Partnership for Progress and for a Common Future, by assuming leadership (with Turkey and Yemen) of the Democracy Assistance Dialogue (DAD) programme launched at the end of 2004. It was somewhat paradoxical that Italy should have taken on this role for the initially US-sponsored programme: the country's traditional position on human rights and democracy support has been critical of attempts to interfere in the internal affairs of southern Mediterranean states and has been sympathetic to the arguments of these governments in relation to cultural diversity and the risks of Islamic fundamentalism and terrorism. Indeed, Italy has never developed an external human rights and democracy support programme and the only office within the Ministry of Foreign Affairs dealing with human rights issues is the multilateral office. This apparent contradiction was lessened as the contents of the G-8 Partnership were progressively watered down compared to the initial draft circulated unofficially by the US State Department.

A number of Italian views can be evinced from the drafts of the DAD programme. First, Italy sees the success of DAD as tied to the resolution of conflict in the Middle East. Second, Italy sees the programme as being voluntary in nature. Having been amongst those insisting that the initial US draft of the Greater Middle East Initiative be diluted and emphasise the need for reforms to be home-grown, Italy sees the DAD as supporting endogenous trends towards reform and acting as a facilitator of dialogue between institutions and civil society organisations that wish to participate. Finally, Rome considers the DAD as an addition to existing programmes rather than an initiative that cuts across the EMP.

² See European Commission, *Communication to Prepare the VI Meeting of the Euro-Mediterranean Ministers of Foreign Affairs*, COM, 610 final, Brussels, 15 October 2003; and Euro-Mediterranean Conference of Ministers of Foreign Affairs, *Presidency Conclusions*, Naples, 2-3 December 2003.

³ Roberto Aliboni and Gianni Bonvicini, 'La politica estera dell'Italia', in Alessandro Colombo and Natalino Ronzitti (eds), *L'Italia e la politica internazionale. Edizione 2005*, Bologna, Il Mulino, 2005, (forthcoming).

⁴ *Ibid.*

Italy's Assessment of the EMP

The Ministry of Foreign Affairs argues that it does not see Italy's Atlanticism as an alternative to the Barcelona Process, which it continues to support as a framework 'that cannot be substituted', given its role in bringing together the Arab states from North Africa and the Middle East with Israel.⁵ It also considers the EMP to have been 'moderately successful'⁶ in view of the conditions in which it has been operating. The areas in which Italy has been most active are security cooperation (within but also outside the EMP) and the promotion of sub-regional groupings.

The first pillar of the Barcelona Process on political dialogue and security remains the one most wrought with difficulties. Given the deterioration of security in the region since autumn 2000 – with the derailment of the peace process, the 9/11 attacks and the military interventions in Afghanistan and Iraq – Italy sees the pursuit of confidence-building measures, even if on a small scale, as an important means to maintain dialogue between the two shores. Italy has also supported sub-regional groupings and 'variable geometry' arrangements, in particular the '5+5 Group'.⁷ Sub-regional groupings are seen as an important means to discuss regional specificities and as a laboratory to discuss possible initiatives to bring to the EMP level. The smaller format is considered important especially in the context of enlargement, with Italy concerned that southern states do not feel marginalised. Rome also sees the '5+5 Group' as a way to draw Libya into political dialogue and as a possible anti-chamber of integration in the EMP.⁸

In terms of financial assistance to the EMP, Italy has criticised the gap between commitments and allocations, despite the recent improvements in the disbursement ratio of the MEDA programme. Rome has also pushed for EU programmes and projects to be made more visible and high profile, so that they impact more than hitherto on public opinion in the Middle East and North Africa. With the start of negotiations for the 2007-2013 financial framework, it is likely that Italy will support the Mediterranean dimension of external assistance. The European Neighbourhood Policy foresees, among other things, the simplification of external assistance under one umbrella programme governed by a single regulatory framework.⁹ The allocation of resources within the ENP is thus likely to be subject to competition between those most interested in the eastern dimension of the policy and those most concerned with the south. Italy will act on two fronts. On the one hand, it is working to convince other member states, and especially the new members from central Europe, of the importance of developing the South for the entire Union, as a means of reducing migratory pressures resulting from demographic trends. On the other hand, Italy has insisted that a specified share of the new neighbourhood financing instrument be earmarked for the Mediterranean, so that the latter does not lose funds to the more reformist states of eastern Europe.¹⁰

⁵ Interview with official at the Ministry of Foreign Affairs, Rome, May 2005.

⁶ *Ibid.*

⁷ The '5+5' group involves five countries from the Maghreb (Algeria, Libya, Mauritania, Morocco and Tunisia) and five European countries (France, Italy, Malta, Portugal and Spain).

⁸ Interview with official at the Ministry of Foreign Affairs, Rome, May 2005.

⁹ European Commission, 'European Neighbourhood Policy Strategy Paper', COM, 373 final, Brussels, 12 May 2004.

¹⁰ Interview with official at the Ministry of Foreign Affairs, Rome, May 2005.

Italy's Policies outside the EMP

In recent years Italy has pursued two particularly important areas of bilateral activity outside the framework of the Barcelona Process: first, the potentially interesting development of the increasing activism of Italian sub-state actors in developing international relations; and second, the more complex and problematic challenge of managing migratory pressure along Italy's long coastline.

Since the early 1990s, Italian sub-state actors have manifested a novel and increasing dynamism in developing international relations. If central and eastern Europe and the Balkans were the initial geographic focus of this activism, recently regions such as Piedmont and Tuscany have started to develop programmes towards selected North African countries, especially those like Morocco and Tunisia with high levels of migration towards Italy. The southern Italian regions are also taking their first steps in that direction, viewing integration with the southern Mediterranean as a strategic opportunity for development and a means of securing continued EU funding (to offset cuts in structural funds). These regional administrations have organised pan-Mediterranean international conferences on the environment and sustainable development in Matera in December 2004, and on economic integration in June 2005 in Naples.¹¹

The European Neighbourhood Policy (ENP) may provide the most appropriate framework within which the international activities of sub-state actors can be coordinated and financed. Its proposed regulation underlines the importance of complementing Community assistance with national, regional and local measures in each country.¹² The Italian Ministry of Foreign Affairs supports the external cooperation activities of the regions, sponsors most of their initiatives and is proposing to strengthen the sub-state dimension within the EMP.¹³

Sub-state actors can potentially be a vehicle of innovation in relations between the two shores. They can be effective in tackling issues relating to economic cooperation and integration, that is, supporting the internationalisation of small and medium-sized enterprises, technology and know-how transfer and the strengthening of distribution and transport networks. They are also well placed to assist institution building through twinning projects; public administration training; promoting local development, decentralisation, good governance and partnership-building between institutional and non-governmental actors; and transferring know-how related to obtaining and using MEDA and ENP funds. Critics argue that by returning power to the regions, the Italian state is 'abdicating' its foreign policy responsibilities to weak actors that cannot fulfil the role of a state and thereby producing a plethora of policies and initiatives that lack strategy and coordination.¹⁴ Coordination between national institutions and sub-state and non-state actors – from local authorities to associations of enterprises – is certainly a major challenge; nonetheless, the role of the regions in international relations is one of the most innovative and promising elements of Italian foreign policy of the past few years.

¹¹ On the activities of the southern Italian regions in the Mediterranean, see <http://www.italiainternazionale.it>.

¹² European Commission, 'Proposal for a Regulation of the European Parliament and of the Council establishing a European Neighbourhood and Partnership Instrument', COM (628) final, 2004/0219 (COD), Brussels, 29 September 2004.

¹³ Interview with official at the Ministry of Foreign Affairs, Rome, May 2005.

¹⁴ Adriaticus, 'Se l'Italia non pensa la frontiera', *LiMeS*, no. 6, 2003, pp. 43-52.

Controlling illegal immigration has been a key priority for Italy. Rome has repeatedly tried to bring to Brussels the issue of strengthening border controls and of the re-admission of illegal migrants by appealing to the notion of burden-sharing with its European partners. However, it has had only limited success in this endeavour. This has led Italy to seek bilateral agreements with individual southern Mediterranean countries. The 1998 agreement with Tunisia has been relatively successful thanks to a broad approach, involving the readmission of illegal migrants, financing and support in patrolling the coast, as well as the offer of a quota for legal migration. At the same time, Italy's development cooperation funding has targeted regions of emigration, such as the region around Sousse, to try to address the root causes of migration.¹⁵

With Libya the story has been quite different. Cooperation between Italy and Libya has focused mostly on cooperation in the fight against terrorism and organised crime, drug trafficking and illegal immigration.¹⁶ These agreements have been made by the two countries' Interior Ministries; however, while these have not been made public, some details can be gleaned from the technical mission of the European Commission to Libya: Italy has financed the repatriation of migrants from Libya to their country of origin and the construction of detention camps and it has also provided training for police officers and some equipment for border patrol.¹⁷ The agreements, which led to the creation of a High Level Libyan-Italian Security Committee in September 2002, are due to be revised in light of the suspension of the embargo in October 2004.

It is widely recognised that such policies are highly questionable in terms of respect for basic human rights and international law. According to the Italian minister of the interior, Giuseppe Pisanu, these agreements have been 'effective': between 2002 and 2004 arrivals of illegal migrants via the sea to Italy were reduced by 40 per cent,¹⁸ through expulsions back to Libya. But outsourcing to Libya the role of guarding the gates of Europe has merely shifted the problem and has created an explosive concentration of migrants, refugees and asylum-seekers held in detention centres in a country that has not signed the Geneva Conventions on the rights of refugees and does not recognise the role of the United Nations High Commissioner for Refugees (UNHCR). According to recent reports, conditions in the detention centres and the treatment of migrants are appalling.¹⁹ Many have been forcibly repatriated on planes financed by the Italian government to countries where their lives are at risk.²⁰ The European Parliament has issued a resolution inviting Italy, among other things, to stop collective expulsions in order to avoid breaching its international law obligations on asylum seekers,²¹ and the European Court of Human Rights has blocked the expulsion

¹⁵ Interview with official at the Ministry of Foreign Affairs, Rome, May 2005.

¹⁶ Chiara Favilli, 'Quali modalità di conclusione degli accordi internazionali in materia di immigrazione?', *Rivista di diritto internazionale*, vol. LXXXVIII, no. 1, 2005, pp. 156-165.

¹⁷ European Commission, Technical Mission to Libya on Illegal Immigration, 27 November-6 December 2004. The mission's report is available at <http://www.cespi.it/migration2/FrontSud/LIBYA.pdf>. See also Fabrizio Gatti, 'Il lager della libertà', *L'Espresso*, 5 May 2005.

¹⁸ Ministry of the Interior, 'Conferenza Stampa del Ministro dell'Interno Giuseppe Pisanu sui colloqui avuti con il Colonnello Gheddafi', Rome, 27 September 2004. Available at http://www.interno.it/salastampa7discorsi7pages7d_000000294.htm.

¹⁹ See Gatti, *op. cit.*; Maria R. Calderoni, 'Libia, l'inferno europeo dei migranti deportati', *Liberazione*, 22 April 2005.

²⁰ Amnesty International, 'Immigration Cooperation with Libya: the human rights perspective', Amnesty International briefing ahead of the Justice and Home Affairs Council of 14 April 2005, Brussels, 12 April 2005.

²¹ European Parliament, European Parliament Resolution on Lampedusa, P6_TA-PROV(2005)0138, 14 April 2005.

of some people.²² It is argued that the Italian-Libyan agreements should at least be made public, so that the public can verify their compatibility with Italian and international law.²³ This transparency would also be important in terms of ensuring that such bilateral agreements do not cut across and undermine the credibility of the EMP, or the prospects of Libya committing to EMP principles, should it become a member of the Barcelona Process, which is one of Rome's key objectives.

Conclusions

Italy has not been able to capitalise on its relations with Libya to enhance its role in the international community, demonstrating its limitation as an actor within the EU and with southern Mediterranean countries. Even in the presence of clear economic interests and security concerns, Italy's position in the Mediterranean has not been as high profile as might have been expected. The most significant shifts in Italy's policies towards the southern Mediterranean have resulted from the changing importance attributed to relations with the EU by the centre-left government and to relations with the US by the centre-right. They have resulted much less from any modification in the strategic view held of the Mediterranean basin itself. Moreover, Italian policies pursued outside the EMP framework risk cutting across the contribution that Italy has made to the Barcelona Process: Italy has not been able to 'play the card' of its traditional relations with Libya on EMP related debates; initiatives have been delegated to the Italian regions; and ad hocery, at the very least, has prevailed in the managing of migration flows.

Italy's 'renewed Atlanticism' may not last. The shift undertaken by the Berlusconi government represents a significant discontinuity in Italy's traditional bipartisanship in foreign policy, and is not an orientation shared by the opposition.²⁴ Foreign policy will almost certainly be readjusted should there be a change of government in 2006. In addition, further enlargement changes the politics of Italy's neighbourhood. In the 1990s south eastern Europe 'competed' – by and large successfully – for Italy's attention, and much effort was devoted to that area. With the imminent prospect of Romanian and Bulgarian accession to the EU and the pre-accession track established for the western Balkans, Italy's immediate interests in what has now been defined as the neighbourhood of the EU²⁵ is more circumscribed to the southern Mediterranean. Of course, the rejection of the Constitutional Treaty in France and the Netherlands has cast a shadow over the prospects for further enlargement. Together with the current negotiations on the EU budget, this might require Italy to make some difficult choices between its different priorities in the neighbourhood: in short, the southern Mediterranean states risk having to compete with south eastern Europe and Turkey in the future for political commitment and resources in a context of crisis over the future of Europe.

²² European Court of Human Rights, Regnête, no. 11593, *Salem et autres contre Italie*, Strasbourg, 10 May 2005.

²³ Favilli, op. cit.

²⁴ James Walston, 'The Shift in Italy's Euro-Atlantic Policy. Partisan or Bipartisan?', *International Spectator*, vol. XXXIX, no. 4, 2004, pp. 115-125.

²⁵ The European Neighbourhood Policy, launched in 2003, includes all the countries bordering the European Union, from Belarus to Morocco, through the southern Caucasus, and excludes all those that currently have a prospect of accession.

Chapter 11

**Euro-Mediterranean Partnership
and Democratic Reform in Egypt:
Contemporary Policy Debates**

Amr Hamzawy

Developments in Egypt have been at the forefront of the Euro-Mediterranean Partnership (EMP). The country has attracted the largest shares of European Union aid in the Middle Eastern region, whilst its central role in relation to the Arab-Israeli conflict has ensured it priority status in European diplomacy. And yet, despite ten years of cooperation under the Barcelona Process, this essay argues that Europe's influence in Egypt has remained limited. Perhaps more than other southern Mediterranean partners, Egypt finds itself at a crucial political juncture. The EU's ability to respond in a meaningful way to new pressure for political change in Egypt will be crucial in determining the future vitality of the EMP, as well as to off-setting what has emerged as the primary role of the United States in this country.

Egypt at the Crossroads

After years of stagnation, Egypt's political reality looks today fundamentally different. Three possible readings should be noted in this regard. There is the government version, in which president Mubarak's decision to amend article 76 of the Egyptian Constitution, to permit direct and pluralistic elections for the presidency, represents a historic reform step approved by a majority of Egyptians, first via the two chambers of parliament and then via the 25 May 2005 public referendum.

Government newspapers and commentators close to the ruling National Democratic Party (NDP) stress that the constitutional amendment was not an isolated step, but was preceded by a package of political reforms during the last few years, including the establishment of the National Council for Human Rights and abrogation of emergency courts. They suggest more change will be coming regarding laws pertaining to political rights and participation and the electoral system. Thus, they project an image of an Egyptian government committed to a gradual democratic transformation that will not disrupt stability or security, and which will guarantee continuous economic growth and an end to poverty and unemployment. On 30 July 2005, President Mubarak declared his intention to run for a fifth presidential term and was endorsed by the NDP. The presidential elections took place on 7 September 2005, with Mubarak emerging victorious.

Opposition parties, political movements and various newly established protest alliances – particularly the Egyptian Movement for Change, Kifaya (Enough) – offer a second perspective. They accuse the government and the NDP of evading demands for political reform whilst pursuing two well-known Mubarak strategies: making cosmetic changes that do not affect the regime structure in any substantial way and employing systematic repression against opposition forces.

The Egyptian opposition points to the following: first, the amendment of article 76 of the Constitution was devoid of democratic content due to the nearly impossible conditions for independent candidates as well as the difficult conditions for opposition parties to get candidates on the presidential ballot from 2011 onward (parties would need to hold 5 per cent of parliamentary seats). Such conditions – not unusual in well-established democracies where they exist to avoid fragmentation of the political sphere, but inappropriate in an authoritarian system seeking to democratise – caused various opposition voices to call on Egyptians to boycott the presidential elections and to deem it fraudulent. However, at least two major

opposition parties nominated their presidents to run against Mubarak: the liberal Wafd Party and the newly legalised Tomorrow Party.

Second, the amendment did not provide for full judicial supervision of the presidential election but rather formed a presidential electoral commission composed of five judges and five public figures appointed by the NDP-controlled parliament. Third, the government has not acceded to opposition demands to abrogate the emergency law, lift restrictions on forming political parties, limit the powers of the president of the republic and provide for checks and balances between government branches. Fourth, the government has increased its repression of opposition movements, in particular the Muslim Brothers, nearly one thousand of whom have been arrested in 2005, including leadership figures. In addition, there were beatings and sexual assaults of activists from Kifaya and other movements during anti-government demonstrations.

Fifth, the government is trying to bypass the demands of Egyptian judges for full and independent judicial supervision of presidential and parliamentary elections by intimidating or ignoring them. Sixth, regarding international election monitoring, the Egyptian opposition is divided between those who reject it as a form of unwanted foreign intervention and those who see it as having become a globally accepted practice; surprisingly, the Muslim Brothers lean toward the latter position.

But a third reading of Egypt's political reality at present, which relies on historical comparisons, notes that the current situation is unprecedented in terms of its variety and provides both government and opposition with new patterns of political interaction that will ultimately lead to greater freedom and pluralism. Never, since the beginning of the Mubarak era in 1981, has the government faced such organised opposition – some of it within government institutions – and never before have opposition forces received so much attention from Washington and western European capitals. Although the opposition is accustomed to government repression, it still has a limited capacity to sustain confrontation with the government, or to take advantage of the opportunities and challenges of coordination between secular and religious forces. Government and opposition compete for public opinion, locally and globally, and yet accept each other in practice. Thus, despite the slow and limited nature of reform so far, the current pluralistic moment is leading toward a qualitatively new stage of democratic reform in Egypt.

Egyptian Policy Debates on the Euro-Mediterranean Partnership

Egypt's new dynamism impacts on political perceptions of the Euro-Mediterranean Partnership in two different ways. On the one hand, key actors, government and opposition alike, are preoccupied with domestic issues. Heated ideological controversies over the significance of external actors, regional and international, are currently withering away in favour of a new focus on local reform steps and benchmarks. In relation to the EMP, this first trend stands for a clear loss of political interest in its broad processes and mechanisms. But, on the other hand, discussing prospects for democratic reform in Egypt necessitates addressing the minefield of Western democracy promotion and articulating preferences about it. Thus, the second trend apparent in today's political scene is to reduce the relevance of the EMP to questions pertaining to Egypt's path towards democracy. Economic and cultural layers

are either taken for granted based on the belief in positive gradual accumulation (government) or subordinated to the primacy of politics (opposition). Keeping in mind that both government and opposition perceive the United States' democracy promotion rhetoric and policies as more crucial when compared to Europe, attention devoted to the EMP remains rather limited.

Within this context, government and opposition perceptions can be easily distinguished. The government refuses to 1) condition economic aid to democratic political reforms, 2) articulate binding benchmarks to measure reform steps in time and space and 3) accept uncensored relations between the European Union and opposition parties and movements. Egypt's home-grown opposition remains reluctant to support the conditioning of economic aid and trade relations but accepts the idea of benchmarking reforms.

Upon addressing European attempts to discuss reforms at government-to-government levels, Mubarak's regime constantly invokes the nightmare of unavoidable instability should it be subjected to external pressures. It also threatens to discredit European, or for that matter Western, efforts to consensually reach a joint understanding about democracy benchmarks by depicting them publicly as acts of foreign aggression against national sovereignty. Egypt's contemporary authoritarian rulers have always been best equipped successfully to play the game of 'us against them' and in doing so to portray themselves as national heroes, whose unquestioned obedience becomes a sacred duty. An additional strategy, which the government employs effectively, is to position itself as the sole rational actor amid the darkness of anti-Western Islamist fanatics ready to take power through the ballot box should reform come too quickly for Egypt's 'immature' society. In pursuing these different strategies the Egyptian government ultimately sanctions the ability of the EU to act autonomously to promote democracy in Egypt. The outcome is an effective conditionality in reverse.

However, throughout the last few years, government officials have gradually acquired the capacity to tolerate European – rather less than systematic – inquiries about human rights violations and better governance requirements such as accountability, transparency, etc. In a few cases they have been receptive to European preferences. But, in election year 2005, indications for extending the scope of official tolerance to include substantial talks about election monitoring and combating voting irregularities are almost nonexistent.

Opposition parties and movements are united in calling upon the EU to articulate binding reform benchmarks in approaching the Egyptian scene. Many among them have doubts as far as the EU's commitment to promote democracy is concerned, whilst others wonder about the 'real intentions' looming in the background. A European declaration of interests and objectives that can be debated publicly would be a milestone development in this regard. The opposition also adopts a joint stance on the necessity of direct contacts between the EU and different political fractions in the Egyptian scene, including moderate Islamists. However, conditioning economic aid to democratic reform remains a clear redline for the overwhelming majority of both secular and Islamist actors. A deep sense of Egyptian nationalism and legitimate fears of critical public perceptions should be noted here as two possible explanatory motives for this position.

But, the Egyptian opposition suffers from the lack of broad constituencies. Although the party system is fundamentally established and shows a moderate degree of fragmentation, the ruling NDP dominates it with its strong hold over the legislative and the executive branches. The four major opposition parties – the liberal Wafd Party, the leftist National Progressive Unionist Party, the Arab Nasserist Party and the Tomorrow Party – are structurally weak and lack constituencies large enough to mobilise popular support. Ten other small parties are active, but their numbers and political relevance are inconsequential.

By contrast, moderate Islamist movements such as the Muslim Brotherhood are well rooted in the Egyptian social and cultural fabric and possess great potential for forging broad alliances for political transformation. In the 1980s and 1990s, the Muslim Brothers had yet to come up with a strategic commitment to democratic forms of governance. Caught in the iron grip of state oppression and continuous radicalisation at the outer edges of the Islamist spectrum, they were forced out of the official political sphere. Their preoccupation with rhetorically sound, though politically unattainable, issues – such as the implementation of Islamic law and the islamisation of educational systems – did not help them overcome general doubts about their real objectives. Rather, it lent credibility to the negative perception of Islamists as traditionalist forces who are less interested in tolerating the diversity of Egyptian society or accommodating political pluralism in any serious way. By the end of the 1990s, despite considerable popular support, the apparent failure of Islamists to change political realities in Egypt gave birth to various revisionist trends among moderate movements and unleashed a critical discussion on their priorities and strategies that gathered momentum in the aftermath of 11 September 2001.

The major outcome has been a shift in mainstream Egyptian Islamist movements toward more pragmatism based on prioritising gradual democratic reforms as the path to follow for their political integration and as the only viable strategy to challenge a persistently authoritarian system. Embracing the notion of democratic politics within moderate Islamist movements, however, does not mean that they are giving up their religious legacy and becoming wholeheartedly the new liberals of Egypt. Rather, they sustain their distinct religious identity as compared to other political forces by stressing, at least rhetorically, a traditional agenda built around moral calls to implement Islamic law and, islamise the public sphere and propagandistic pleas to liberate Palestine and the Muslim homelands from the 'infidels.' The crucial issue at stake is the fact that calling for democratic reform is becoming a central component of the Islamist agenda as well, if not its determining principle, and indeed, one which transcends all others.

The realisation of the new Islamist vision requires a degree of openness on the part of the Egyptian government toward the integration of moderate movements in the political sphere. Unfortunately, no steps have been taken in that direction. The Muslim Brotherhood remains excluded from the political sphere and faces at regular intervals the repressive measures of the government. Islamist-led initiatives to establish political parties, for instance, the Wasat Party (Centre Party), are normally blocked by the government-controlled Political Parties Affairs Committee. Despite their continued containment and exclusion in the last few years, moderate Islamists have upheld their strategic choice for gradual democratic reforms.

Over the course of the last three years, different secular parties have been gradually reaching out to moderate Islamists and engaging them in campaigns calling for reforms. Islamists, for their part, have seized the integration opportunity and positioned themselves at the heart of the growing popular opposition. The Egyptian Movement for Change, Kifaya, stands for this emerging secular-religious national alliance for democracy. These are significant initial steps. Democratic opposition platforms are far more effective with Islamist participation than without it.

Approaching Egypt Today: Europe's Role

Semi-authoritarian regimes such as the one that rules Egypt never reform voluntarily. They have to be pushed by indigenous actors that enjoy the sustainable support of large shares of the population. Oppositions that lack wide support cannot prevail because ruling elites can easily outmanoeuvre them. Without the formation of far-reaching opposition alliances in Egypt, Mubarak will remain unaffected by Western pressures. European bilateral and multilateral efforts to encourage him to democratise have proven less successful in bringing about substantial reforms. A paradigmatic shift towards prioritising pressures on the government and taking up the legitimate cause of opposition parties and movements is needed.

The Barcelona Process should move forward in the direction of engaging secular forces and moderate Islamists. Inviting liberal politicians to conferences in Europe and convincing diplomats in Egypt to set up regular consultations with the Muslim Brotherhood, while representative of steps in the right direction, are not enough. Without reducing contacts with the government, European policy-makers should undertake the following three initiatives:

- 1) Urge the government to ease its repressive measures against the opposition and grant its representatives, both secular and Islamist, access to the political sphere. Condemning individual arrests, such as that of Ayman Nour in early 2005, while completely ignoring persistent repressive features of the state apparatus hardly challenges the government and does not foster Europe's credibility among opposition actors.
- 2) Engage opposition political parties at the grassroots level in the less politicised fields of civic education, women's empowerment and local capacity-building; thereby leaving aside the explosive terrain of national politics where the government systematically intervenes and adopting low-profile strategies that empower the opposition.
- 3) Engage moderate Islamist movements such as the Muslim Brotherhood and the Wasat Party initiative through regular consultations, training and awareness-building programmes on human rights for their members when welcomed and capacity-building programmes in parliamentary performance and electoral campaigning. All these ideas are likely to be accepted by at least some Islamist politicians.

Devising appropriate strategies to engage Egypt's opposition is certainly not an easy task. Europe's still friendly ruler in Egypt is likely to be critical of any direct contacts

between European governments and movements he classifies as either dangerous or illegal. European policy-makers and diplomats find it unavoidably problematic to collaborate on democratic reforms with representatives of opposition parties that do not share their outlook on issues as crucial as the future of Iraq (both liberal and leftist parties as well as moderate Islamist movements) and the peace process in the Middle East (primarily leftist parties and Islamists). Europe thus must be cautious and gradual in seeking to open up to opposition actors and politicising its contacts with them.

More specifically, engaging Islamists at the grass roots should be understood as a results-oriented experiment in which the European Union assesses the impacts of its new policy on its partners within an initial period of two years. Initiatives should be limited only to movements and organisations that clearly renounce violence and are willing to cooperate with the West. Depending on concrete results and trends across the Islamist spectrum, policy-makers may consider commencing a second phase of national-level cooperation projects with selected democratic Islamist movements.

However, any European effort to deal objectively with moderate Islamists in Egypt cannot avoid highlighting the less liberal zones in their positions and practices. Issues such as gender equality, civil and political rights of non-Muslim population groups, religious freedom and modernisation of educational systems have been highlighted as examples of the illiberality of Islamist views. Although there has been some progress in relation to the status of women and non-Muslims in a number of movements, especially within the Muslim Brotherhood, the majority of Egyptian moderate Islamists continue to hold discriminatory illiberal views on key socio-cultural issues. These attitudes should not be ignored, nor should the absence of perfection be the enemy of the good. Moderation and tolerance within the Islamist spectrum will be a long and uneven process. A key step in this process is Islamists' inclusion in the political sphere in a way that confronts them with the real challenges of managing a contemporary society and gives them space to experiment in public with a range of moderate views on socio-cultural issues. Exclusion and repression never lead to a sustainable momentum to embrace liberal trends; exclusion and repression, instead, push those who are forced to be voiceless uncompromisingly to reassert their distinct identity or to resort to violence.

Democratic opening across the Egyptian Islamist spectrum needs to be promoted and advanced through further engagement. Continuous debate on the European side about the degree of moderate Islamists' commitment to democracy and the real intentions behind Islamists' new inclinations (best summarised by the phrase 'one man, one vote, one time'), are misguided to a large extent. Such debates are ideological residuals of previous decades and ought to be revisited in light of recent developments. The European Union's declaration last spring stating the need to reach out to Arab Islamists should be followed by concrete steps in the coming period.

Without empowering opposition parties and movements, calls for democratic reform in Egypt are bound to remain whispers among tiny intellectualised communities, irrelevant for the larger social fabric and harmless to Mubarak's government. If initiating and implementing reform measures is the prerogative of rulers, the degree of their commitment to democratic change depends on the existence of large, popular and home-grown opposition alliances. It is here where the Barcelona Process should contribute.

Chapter 12

Jordan and the Euro-Mediterranean Partnership

*Walid Abu-Dalbouh*¹

¹ The views expressed in this chapter are the opinions of the author, and do not reflect the official opinions of any Jordanian government agency.

Arguably it is premature to assess whether the Euro-Jordanian partnership has fulfilled its overall objectives, especially as far as the political dimension is concerned. Nonetheless, while some merits of the Euro-Mediterranean Partnership (EMP) can be identified, many more shortcomings have overshadowed the functioning of the Barcelona Process in Jordan. The major deficiencies relate to the European Union's most ambitious and political objectives, as laid out in the Barcelona Declaration. The development of a truly balanced, comprehensive and indivisible policy was a commitment on the part of the EU that was always unlikely to be met in the short-term. Indeed, in the Jordanian case the EU has pursued a rather imbalanced and segmented strategy that has favoured economic and financial cooperation over political objectives. This has impacted upon Jordanian perspectives on the Barcelona Process.

Hopes and Fears in Jordanian Perspectives

Jordan was amongst the first Mediterranean states to enter into negotiations for an association agreement with the EU. The process was initiated in July 1995 and within a little more than two years, in November 1997, the kingdom signed an association agreement with its European counterparts. The agreement was finalised after marathon rounds of negotiations and was dedicated primarily to the economic and financial pillar of the Partnership. Political matters – especially with regard to democratisation – were considered less during the negotiation process. The association agreement entered into force on 1 May 2002.

Jordanian perspectives towards the EMP have embraced a range of different views. Different actors, within the public and private sectors, have focused on various issues within the extremely broad range of goals included under the EMP's three baskets. Low visibility has been a persistent problem. Much of Jordanian civil society remains unaware of the EMP's existence. Even more strikingly, it was found that less than 10 per cent of Jordanian members of parliament (MPs) were aware of the Euro-Jordanian association agreement when this was submitted to the Lower House for approval.²

In broad terms, the Jordanian government has seen the EMP in relatively positive terms, whereas the private sector has exhibited a more cautious and fearful perspective. Jordan's Foreign minister lamented that even those sectors, which were aware of the Barcelona Process, tended to see it only 'in terms of the establishment of a free trade area.'³ Some have pointed to the fact that there are significant portions of civil society – in particular Islamists and opposition groups – that have failed to benefit in any concrete sense from Jordan's partnership with the EU.⁴

The Jordanian government has built strong expectations of potential economic and financial returns from the EMP, particularly through the expected increase in foreign direct investment (FDI). In this way, the hope and belief was that the EMP would help overcome serious endemic economic difficulties through market expansion, technology transfer and job creation measures. The kingdom hoped to attain a healthier trade balance with the EU by increasing export opportunities. The then minister of planning, Rima Khalaf, argued in parliament that 'if we don't sign the

² Interview with Ahmad Al Abadi, Jordanian MP, 21 September 2003.

³ Interview with the minister of state for Foreign Affairs Bak, 19 October 2003.

⁴ Interview with Abdulatif Arabyat, secretary general of the Islamic Action Front, 27 September 2003.

association agreement, our industries will shrink because other Arab countries would have privileges that we don't ... In this case, who would want to invest in a market that is closing itself off from a quarter of the world's economy?⁵

In contrast, most of the Jordanian private sector expressed fears regarding the expected negative impact of the Euro-Mediterranean free trade area in terms of trade diversion and new competitive pressures. Many private sector businessmen expressed concerns prior to the signing of the association agreement. The president of the Jordanian Consumer Protection Society, Mohammed Obeidat, asserted that 'our markets will be flooded with European products, while we may not be able to increase exports.' Ahmed Al-Nimri, a prominent economist, maintained that 'we are not against the agreement, but we are moving very fast on the issue ... our industry is facing crucial problems and could be completely destroyed if confronted with international competition.'⁶

Economic Imbalances

Some of these fears have been proven correct. A significant number of anti-dumping cases have been raised by the Ministry of Trade and Industry against European companies. The owner of one of the biggest textile factories in Jordan linked the association agreement to this sector's travails. According to him, 'our factory used to employ more than 600 workers. In the last two years we had to let go more than 400 of them. Our 20 million dollar industry is about to crumble ... We are moving from being manufacturers to business importers'.⁷

Particularly in the services sector, and somewhat contrary to GATS principles, the EU has succeeded in utilising liberalisation measures to further its own economic interests at the expense of Jordanian firms. The provisions of the association agreement are asymmetrical in this area: Jordan is expected to grant European companies national privileges, whilst the EU only offers Jordanian companies most favoured nation (MFN) benefits.⁸ Jordanian officials were partly to blame for such imbalances, as their negotiating strategy focused mainly on pressing for the liberalisation of access, especially for agricultural products, rather than on rules and regulations governing more dynamic and future-oriented sectors of the Jordanian economy.

Between 1996 and 2003, the kingdom received 420 million euros of MEDA funds. Jordan was deemed to be the Mediterranean state to have benefited the most from the EU's overall financial allocations towards the region. The country was able to make use of 70 per cent of the EU's committed financial resources in this period, whilst the average use of MEDA financial allocations was only 40 per cent.⁹ The economic

⁵ Statement presented by Rima Khalaf, former prime minister and the minister of Planning, while addressing the Jordanian Parliament, before voting on the Euro-Jordanian Association Agreement.

⁶ Quotes from *Star News*, 18 November 1997. Also, interview with Marwan Rifai, member of the EU-Jordan Technical Support Unit, Ministry of Planning, 9 October 2003.

⁷ Interview with Khalid Al-Ashi, prominent Jordanian textile businessmen, 18 September 2003.

⁸ *The Right of Establishment* chapter of the Association Agreement, article 30 1/ (a) provides that, 'The Community and its member states shall grant for the establishment of Jordanian companies treatment no less favourable than that accorded to like companies of any third country' whereas Jordan shall – under article 30 2/ (a) – 'grant for the establishment of Community companies in its territory treatment no less favourable than that accorded to its own companies or to companies of any third country, whichever is the better'. *The Euro-Jordanian Association Agreement*, Amman, Ministry of Planning, 1997.

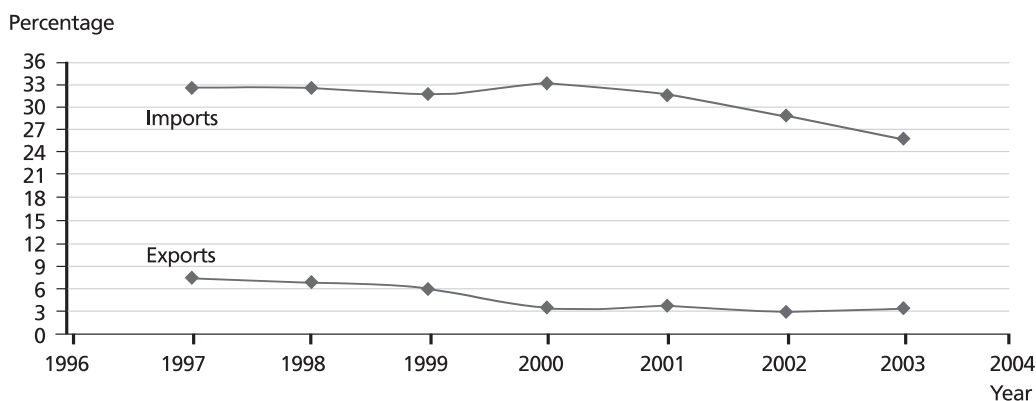
⁹ European Delegation, *EU Delegation in Jordan: Annual Report 2003*, Amman, EU Delegation, p. 25.

and financial dimension of the association agreement has been the area that Jordan has so far benefited from the most. One notable programme gave 40 million euros for Jordan's Industrial Modernisation Programme. Of the association agreement's 107 articles, 103 deal with economic and financial matters, only three with political aspects and one with cultural cooperation.

In addition, challenges remain ahead for the Jordanian industries, in the generation of export capacity. Since Jordan signed the association agreement with the EU in 1997, its trade deficit with the EU has not closed. Indeed, in 1997 Jordan's exports to the EU amounted to 77.7 million Jordanian dinars, while in 2003 they reached only 57 million Jordanian dinars.¹⁰ Figure 1 shows the evolution of Jordan's imports from and exports to the EU, demonstrating the persistent trade imbalance.

Figure 1

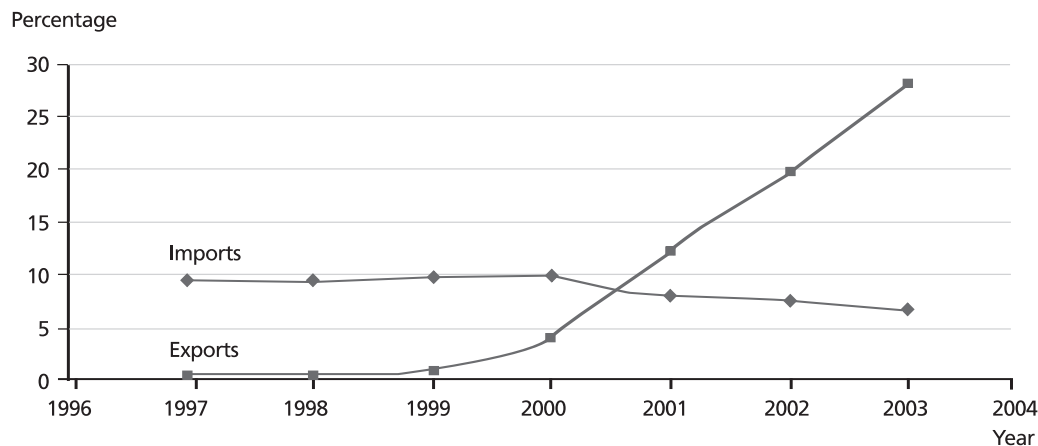
Shares of Jordan's Exports - Imports to the EU, 1997-2003



Source of data: Geographic Distribution of Imports Central Bank of Jordan

Figure 2

Shares of Jordan's Exports - Imports to the US, 1997-2003



Source of data: Geographic Distribution of Domestic Exports, Central Bank of Jordan

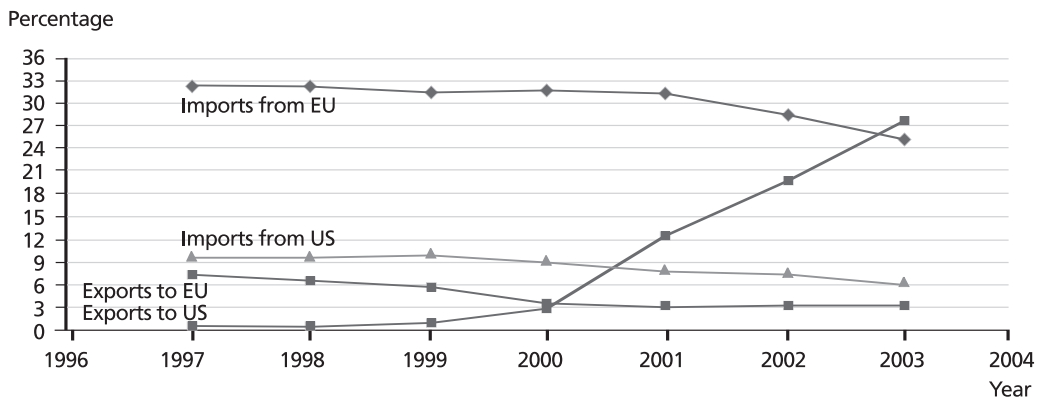
¹⁰ Central Bank of Jordan, Annual Statistical Bulletin (1997 - 2004).

While the EU cannot be held fully responsible for Jordan's inability to expand its export potential to European markets, the significant factor is that Jordan's overall total exports have grown significantly, from 1.067 billion Jordanian dinars in 1997 to 1.675 billion Jordanian dinars in 2003. In particular, Jordan's exports to the United States increased after the two countries signed an agreement to negotiate a free trade area in October 2000 - from 44 million Jordanian dinars in 2000 to 468 million Jordanian dinars in 2003. In dramatic contrast to its trade imbalance with the EU, Jordan has converted its trade deficit with the US into a surplus (see figure 2).

Figure 3 synthesises this comparison of Jordan's trade relations with the EU and the US, respectively. It shows starkly how, notwithstanding geographical proximity to Europe and all the financial support offered through MEDA, Jordanian export potential has been fulfilled far better with the US than the EU.

Figure 3

Jordan's Export - Import Scale: EU vs. US, 1997-2003



All this suggests the damaging impact of EU protectionism and the way that such behaviour undermines the pretence of the Barcelona Process to be playing a primary role in the region relative to US policies. If Europe wants to have political influence, it has to offer better access to its markets for southern Mediterranean partners. The French ambassador to Jordan has implicitly recognised the EU's shortcomings in this sense, praising US preferential trade treatment granted to Jordan through the Qualified Industrial Zones (QIZ) and suggesting that the EU also allow the QIZ in Jordan and other Mediterranean states to export to Europe on a similarly preferential basis.¹¹

The Political Dimension

The political dimension has received considerably less attention than the economic chapters of the EMP. In Jordan, democratisation and human rights programmes accounted for less than 1 per cent of overall EU funds (see table 1).

¹¹ J. Kaza, *Al Rai Daily Newspaper*, Amman, 6 July 2005.

Table 1

MEDA I		
Year	Project	Millions of
1995	Private Sector Development	7
1996	Structural Adjustment Facility I	100
1997	Risk Capital Resources in Support of SME's	10
1999	Industrial Modernisation Programme	45
1999	Protection & Promotion of Cultural Heritage	4.1
1999	Amman Water Management	7
1999	Structural Adjustment Facility II	80
MEDA II		
2001	Risk Capital Resources in Support of Private Sector	15
2002	Regularity Reforms and Privatisation	20
2003	Structural Adjustment Facility II	60
2004	Support Programme for the Implementation of the Association Agreement	20
2005	Institutional Support for Aqaba Special Economic Zone	10
Ends in 2006	Promotion of Human Rights and Democratisation	2
Ends in 2007	Emergency Budget Support Programme	35

Source: European Delegation Annual Report, 2002, p. 22.

More extensive research carried out elsewhere revealed the absence of any significant EU strategy to promote democratic reform in Jordan. Negligible amounts of funding were given for democracy assistance; no diplomatic pressure was exerted; conditionality was not contemplated; and resources that were forthcoming went to projects designed more to please Western donors than to target the most pressing blockages to democracy in Jordan. Indeed, Jordan enjoyed a wider range of political rights before the launching of the Barcelona Process (1989-1995) than in the period after 1995 (see table 2).¹²

Between 1996 and 1999 Jordan received only a little over 1 million euros from the MEDA Democracy fund, representing about 4 per cent of the allocation to EMP partners; Israel and the West Bank and Gaza took 36 per cent of these funds. This contrasted with aid of over 100 million euros for Jordan's Structural Adjustment Programme.

A full 46 per cent of MEDA Democracy funds to Jordan went to supporting women's rights groups.¹³ Other significant sectors received no or very modest contributions. While it is undoubtedly necessary to broaden women's political participation in Jordan, the EU focus on women's rights has been disproportionate, relative to the most pressing challenges for reform. Jordan does not have an especially bad record on female political participation, especially in relation to other Middle Eastern states. Many of the obstacles faced by women in relation to exercising basic democratic rights are the same as those faced by their male counterparts. The obstacles to political development go beyond the gender issue. At this initial and vital stage of political

¹² W. Abu-Dalbouh, *Jordan, Stability, and the Euro-Mediterranean Partnership: the Role of Financial Assistance in Promoting Stability*, (Ph.D. thesis, University of Warwick, 2004).

¹³ N. Karkutli and D. Bützler, *Evaluation of the MEDA Democracy Programme (1996-1998)*, (final report), European Commission, Brussels, 1999, pp. 41-47.

reform, EU efforts would have been better targeted at the non-democratic nature of the Jordanian polity as a whole, that is on institutional developments and constitutional reforms – as has been the case in EU assistance towards sub-Saharan African states, many of which are no less male-dominated.¹⁴

Table 2

Democratic Rights in Jordan: Pre-Barcelona vs. Post-Barcelona

	1989-1993	End of 2002
Political pluralism	Political pluralism was reintroduced in 1992	
Parliamentary elections	Re-launched in November 1989	Suspended
Human rights	Martial Law frozen in 1989 and abolished in 1992	Reintroduction of Martial Laws (Military courts for civilians)
Freedom of speech	Introduction of New Press Law in 1992	Demonstrations suspended by law 1997 Amendment of Press Law Amendment of Municipality Elections law 2005 draft on amendment of Professional Unions Election Law
Rule of law	Each voter to cast as many ballots as the number of deputies to be elected to their constituency	One person, one vote

The Jordanian case suggests a preference for containment-based security, in light of the EU's tolerance towards human rights violations against Islamic activists in the region.¹⁵ It is notable that the EU steered clear of NGOs with any significant Islamic bent.¹⁶

Article 5 of the Euro-Jordanian Association Agreement reveals the EU's preference for elite-level interlocutors. It provides that 'political dialogue shall facilitate the pursuit of joint initiatives and shall take place at regular intervals and whenever necessary, in particular:

¹⁴ European Commission, Communication from the Commission to the Council and European Parliament, *Democratisation, the Rule of Law, Respect for Human Rights and Good Governance: The challenges of the partnership between the European Union and ACP States*, European Commission, Brussels, COM (98) 146, 1998. Hearn and Robinson reveal that the amount of financial assistance devoted to civil societies – including the women's sector – in Africa did not exceed 2 per cent of the total political development aid in the mid 1990s (J. Hearn and M. Robinson, 'Civil Society and Democracy Assistance in Africa', in P. Burnell (ed.), *Democracy Assistance*, London, Frank Cass, 2000, p. 245).

¹⁵ P. Tank, 'Security Issues Emanating from the Mediterranean', in K. Eliassen (ed.), *Foreign and Security Policy in the EU*, London, SAGE, 1998, p. 179.

¹⁶ R. Youngs, *The European Union and the Promotion of Democracy*, Oxford, Oxford University Press, 2001, p. 85.

- at the ministerial level, mainly in the framework of the Association Council;
- at the senior official level, among representatives of Jordan, on the one hand, and with the Presidency of the Council and of the Commission, on the other; and
- by taking full advantage of all diplomatic channels including regular briefings by officials, consultations on the occasion of international meetings and contacts between diplomatic representatives in third countries; and by any other means that would make a useful contribution to consolidating, developing and stepping up this dialogue.¹⁷

Article 6 also provides for political dialogue between the Jordanian and European parliaments. A strongly elite-oriented dialogue has developed on this basis. Civil society actors were not granted representation in the steering committee responsible for carrying out the EU democracy and human rights programme in Jordan. Rather, this steering committee included one representative from each Ministry of Foreign Affairs, Ministry of Planning and Office of the Prime Minister, plus one representative from the European Delegation office in Amman.¹⁷ Government affiliated NGOs were chosen to run many of the democracy and human rights projects funded in Jordan.¹⁸

Islamist groups have themselves remained suspicious of European intentions in Jordan. Abdulatif Arabyat, secretary general of the Islamic Action Front, has praised Jordan's cooperation with Europe under the Partnership but questioned the validity of foreign initiatives in the field democratisation.¹⁹

In short, in the area of democracy and human rights, a summary of the ten years of the EMP in Jordan would be that the EU has remained reluctant, the government cautious and opposition groups suspicious. In Jordan the detailed considerations of political instruments have been inadequate.²⁰

Since 11 September 2001, democratic conditions in the kingdom have worsened and the focus of the EMP has become even more imbalanced. Jordan's subsequent imposition of strict measures regulating freedom of speech and human rights activities were accepted without condemnations by the EU. King Abdullah refused to reverse his 2001 suspension of parliament until 2003, apparently with little European criticism. He also closed off the prospect of more systematic European scrutiny of elections or support for political parties. Even when new elections were held and parliament was reinstated, serious gerrymandering of electoral districts reduced genuine political competition. European governments accepted this as a way of containing Palestinian representation in Jordan's Parliament in the hope of keeping the Arab-Israeli peace process alive. Early in 2005, the first sub-committee on democracy and human rights was held under the EU Neighbourhood Action Plan with Jordan; however, with new restrictions on political parties and professional

¹⁷ Jordanian Ministry of Planning (official document), 15 October 2002.

¹⁸ For more information see Programme for the Promotion of Human Rights and Democratisation in Jordan, available at <http://www.partnership-jo.org/selected.html>.

¹⁹ Interview with Abdulatif Arabyat, 27 September 2003.

²⁰ F. Zaim, 'The Third Generation of the Euro-Mediterranean Association Agreements: A View from the South', *Mediterranean Politics*, vol. 4, no. 2, 1999, p. 39.

associations being brought forward by the Jordanian government at the same time, it remained unclear whether this forum would have any positive impact.

Conclusion

The EMP remains important for Jordan and offers the prospect of protection from the trends of globalisation worldwide. Through the EMP, the EU is providing the financial and technical assistance necessary to help Jordan integrate more fully into global economy. But the results have been scarce when measured against the ambitious principles of the Barcelona Declaration. Indeed, on a number of key economic and political indicators – Jordan's trade imbalance with the EU, the fate of its domestic private sector and democratic rights – the challenges look more daunting today for Jordan than ten years ago when the EMP was created. Without revisiting some of its founding principles, it is unlikely that the Barcelona Process can make a significant and positive contribution to Jordan's political and economic development.

Chapter 13

Morocco's Perspectives towards the EMP

Fouad M. Ammor

Despite the various advantages of the longstanding cooperation between the European Union and the southern Mediterranean countries, there are still many difficult challenges that threaten peace and stability in North-South relations, mainly due to the incessant flow of illegal migration and the dangers of terrorism linked to religious extremism. This chapter explores some of the most challenging issues that affect the progress of the Euro-Mediterranean Partnership (EMP) from a Moroccan standpoint, as well as some of the most salient political and socio-economic issues linked to the EMP, such as reform dynamics, migration and security. The chapter outlines the areas in which EMP initiatives have been favourably received by Morocco, but also points to the more pervasive concerns evident in the country over the direction of European Union (EU) policies.

Moroccan Views and Reactions to the EMP

Moroccan government officials and civil society representatives share a number of perspectives on the EMP's more positive contributions. Moroccans have viewed the EMP positively, particularly due to the role that MEDA projects have played in enhancing socio-economic reforms. European financial assistance has been crucial for Moroccan NGOs carrying out projects aimed at protecting vulnerable sectors of society. Civil society actors in Morocco have been among those most interested in the EMP for its efforts in opening doors for dialogue between the peoples from the two sides of the Mediterranean.

Most Moroccan political actors agree on the importance of having a positive 'neighbourhood policy' within the Mediterranean area that is based on equal opportunities and projects for development in poor areas. However, after ten years of the EMP they remain attentive to what is perceived to be European interference in Morocco's internal affairs. Some conservative political sectors – especially amongst Morocco's Islamists – have been critical of the EMP, believing that the EU is seeking to impose its cultural and social values on Muslims through the funding of certain development projects, especially those that promote women's rights.

The Barcelona Declaration was one of the first regional agreements that stressed the crucial role of civil society in building sound inter- and intra-regional relationships. For Morocco, the EMP has been conceived as a lever to carry out reforms, to the extent that the EMP has inspired a kind of readiness to implement political as well as economic and social changes. As outlined in previous chapters, the Barcelona Process focuses on cultural dialogue between Europe and its Mediterranean partners, as well as economic and social cooperation. These are the elements that have been seen by Moroccan organisations as ultimately giving civil society the chance to become a pertinent actor in economic and social policy-making.

The EMP has played an important role in implementing many concrete projects in Morocco through cooperation and the exchange of experiences. Projects in the field of education – the Tempus programme, and Erasmus Mundus in the coming years – have been especially well received by both the government and civil society in Morocco due to their perceived potential to become effective reform and development instruments. It is such areas where the impact of the evolving EMP is beginning to be felt in Morocco.

Morocco's Expectation of the EMP

Prior to 1995, relations between Morocco and Europe were almost exclusively financial and economic, taking the form of cooperation agreements, commercial exchanges and technological assistance. The EMP has undoubtedly broadened the whole basis of these relations. It is widely accepted that, during the last ten years, the EU has moved towards considering Morocco a privileged partner and offering significant support for the country's economic and social reform programmes. The amount of aid allocated in the framework of MEDA II (2000-2006) is approximately 700 million euros; for MEDA I (1995-1999), it was 610 million euros. The signing of the association agreement between the EU and Morocco in February 1996 triggered a range of new initiatives and measures to accompany Morocco's economic transition process, in preparation for the establishment of the EU-Mediterranean free trade area. The role that MEDA has played in funding projects related to economic reform in Morocco has been important.

It is generally felt by officials that Morocco's capacity to absorb new MEDA funds has been sufficient. On the other hand, a frequent – and well known – critique raised by Moroccans is that the implementation of MEDA projects has been slow, inefficient and opaque. At the end of 2000, only 28 per cent of the amount committed to Morocco during the 1995–1999 period had actually been disbursed. For MEDA II, with programming based on the 2000-2006 Country Strategy Paper and the 2000-2002 National Indicative Programme, a decision was made – with the Moroccan national coordinator – to focus funding on a smaller number of priority sectors precisely so as to expedite projects and make them more coherent. Frustration remains, however, amongst Moroccan ministries and civil society organisations who believe that the rhetoric of the EMP is undermined by the prosaic problems of implementation on the ground.

Morocco expects more from the EMP. The EU's failure – in Moroccan eyes – to harness the EMP as a means to help resolve the Western Sahara conflict and preserve peace in the broader region is seen as particularly disappointing. From a Moroccan perspective it appears clear that the EU has declined to use its strategic position in the southern Mediterranean to aid all the relevant parties to the conflict in the reinforcement of peace and stability in the region. Additionally, notwithstanding all the useful projects for economic and social development that have been implemented, Morocco remains crippled by a high unemployment rate, which continues to be a major factor in pushing young people either to emigrate towards Europe or into the arms of radical groups. In many ways, Morocco's economic plight looks as, if not more, serious after a decade of the Barcelona Process than it did in the early 1990s.

Morocco has pushed the EU to deploy the instruments of the EMP more effectively to help Morocco create more jobs and stimulate the economic growth rate. According to some studies, to harmonise demographic growth and the need for new jobs, Morocco must reach an economic growth rate of about 6 to 7 per cent. This is far from being possible by using only domestic measures; there is need for a significant and sustained inflow of foreign direct investment (FDI). The failure of the EMP to engender meaningful increases in investment flows across the Mediterranean has been one of its most serious shortcomings.

Despite the various advantages of the longstanding cooperation between the European Union and the southern Mediterranean countries, there are still many difficult challenges that threaten peace and stability in North-South relations, mainly due to the incessant flow of illegal migration and the dangers of terrorism linked to religious extremism. This chapter explores some of the most challenging issues that affect the progress of the Euro-Mediterranean Partnership (EMP) from a Moroccan standpoint, as well as some of the most salient political and socio-economic issues linked to the EMP, such as reform dynamics, migration and security. The chapter outlines the areas in which EMP initiatives have been favourably received by Morocco, but also points to the more pervasive concerns evident in the country over the direction of European Union (EU) policies.

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The logic of the EMP in controlling immigration – as well as drug, human and arms trafficking – was supposed to be that of enhancing development in the countries of origin. Poverty and unemployment in the Arab world is believed by some to be a direct cause of religious extremism. In practice, and in order to defend itself against the danger of extremist groups, the EU has adopted a security and defence approach to migration that is aimed at hindering such people from entering its territory and spreading their ideas among other immigrants. Of particularly relevance to Morocco are the cases of France and recently Spain, where the links made between Moroccans and the 11 March 2004 terrorist attacks in Madrid have had a significant impact on policy.

This security-oriented approach has been highly criticised within Morocco because it does not conform to the aims of the Barcelona Process, which called for free trade along with the free circulation of people. Moreover, it is felt that efforts to integrate Moroccan migrants within Europe have been limited precisely because European governments have regarded migration as a security and not as a socio-economic problem, which would require other types of responses. From a Moroccan perspective, illegal immigration is more closely linked to development than to security. Accordingly, reducing these illegal flows requires an approach that combines the promotion of both development and investment so that new jobs can be created for young people. In this respect, the European Union must, Moroccans argue, acknowledge its need for immigrant labour and create the appropriate policies for the integration of these communities in host societies. One judgement common in Morocco is that Arab partner countries have not been sufficiently involved in the early stages of the policy design within the EMP, where they might have been able to influence a different direction in thinking on this issue.

It is very important for partner countries to give their naturalised and non-naturalised citizens living in Europe the chance to invest and participate in the socio-economic development process in their countries of origin. Morocco again feels that EU member states have not done enough to assist this effort by facilitating the movement of people and capital towards the partner countries, including immigrant remittances. It is felt that the EU needs to implement measures that are more flexible towards the integration of southern Mediterranean immigrants and the organisation of newcomer flows by providing them with employment opportunities. A good example of such is the recent decision by the Spanish government to regularise illegal immigrants who were already living and working in Spain. A priority concern for Morocco is to see the EMP assist in the development of such responses in the future.

The EMP's future is endangered by organised terrorism and illegal immigration, which makes it necessary for the EU to determine practical responses to these phenomena, in collaboration with its southern Mediterranean partners. EU member states should first establish concrete plans for the integration of current Muslim immigrants, especially the new generations. When immigrants live divided between two cultures – that is, between the culture of their country of origin and that of the host country – the adaptation process becomes difficult, especially when the immigrant is systematically marginalised as being the 'other'.

European versus US Reform Initiatives

In past years, both the EU and the United States have experienced international terrorist attacks on their soil. Consequently, they have proposed reform plans for the Arab world in order to defend themselves against the increased radicalism in that part of the world. While the 11 September 2001 terrorist attacks led to the enactment of new laws to combat terrorism, the root causes of such violent acts have yet to receive the same attention. Unfortunately, this has made many southern countries show worrying signs of taking backwards steps in terms of respect for human rights and good governance. Moroccan NGOs and other reformists have been increasingly critical of the EMP for failing to address this concern adequately.

It is evident that radical Islamist movements pose a big challenge to all Arab and Muslim states because of the acute socio-economic crises that they face and the deficit of legitimacy of their political systems. However, previous experiences in Egypt and Algeria clearly show that restricting civil liberties – including freedom of expression – and the use of violence by the state only generate more violent reactions. Therefore, granting the legal right to freedom of expression would be one solution to prevent such reactions in the future. This applies to journalists – whose job is to express the views of all societal trends and inform the public – and the different components of civil society at large. Despite all the reform-oriented rhetoric of the EMP, the EU has so far exerted little pressure on Moroccan authorities to give civil society organisations more freedom and assistance to carry out their work under more favourable conditions.

In waging its declared 'war on terrorism', the US has focused its efforts on military cooperation with Arab countries. The rather top-down nature and harsh language of the Broader Middle East and North Africa (BMENA) Initiative has made this less welcome to Morocco than the EMP. Most Moroccans consider US approaches more interventionist and more of a threat to national sovereignty than EU strategies. The EU has established its own plans for reform in the Middle East and North Africa, and these are seen in Morocco to be less linked to the use of military force. This fact has made the European plans more acceptable to Morocco than those of the US. Reform initiatives under the EMP and the European Neighbourhood policy (ENP) are seen as being based on respect for the specific characteristics of the targeted countries, positive cooperation and respect for international law.

There are diverse opinions in Morocco regarding the EU's use of 'conditionality', which is clearly stated in the Barcelona Declaration. The question, from a Moroccan perspective, is precisely how this principle is to be implemented. The use of conditionality should not affect a country's sovereignty; rather, this instrument holds each partner responsible for the principles and rules previously accepted by each of them. It is not yet clear to Moroccans whether the EMP will be able to respect these concerns while assisting positively the growing pressure for change in Morocco.

Morocco is making efforts in different socio-economic fields by learning from and exchanging ideas with European partners as per their experience in managing and implementing large development projects. The training of Moroccan experts in European universities, study centres and enterprises has been an important

component of EMP cooperation. Many useful projects have been funded in Morocco through assistance and funding from the Commission and EU member states in areas like education and judicial reform. The very presence of the EU in Morocco, through the EMP, has indirectly created a more favourable context for political reform and human rights improvements, principally through the reform of the judicial, health, education and social services systems.

The ENP is seen in Morocco as offering potential advantages for the deepening of political reforms and economic development. Stability, as well as the conditions for further cooperation, could be enhanced. However, Moroccans remain concerned that, for this to happen, relations should not be based on the superiority of rich and developed neighbours over underdeveloped and poor ones, whose problems stem from bad management and the absence of true democratic practises. Conversely, many reformers fear that the ENP's philosophy of helping each partner progress at its own pace could run the risk of postponing robust reforms at the regional level to an indeterminate time in the future. It is extremely important in Moroccan eyes that partnership projects between the EU and its southern Mediterranean neighbours not be given less importance or delayed for the benefit of the new EU member states or new possible candidates like Turkey or Ukraine.

Leaders from both shores of the Mediterranean should build the foundations for effective and longstanding cooperation between their countries, while looking towards the future of coming generations and not continuing to be obsessed with the past. They must be sensitive to their peoples' aspirations and aware of the challenges posed by a rapidly changing world. For the sake of good governance in southern Mediterranean countries, two priorities should be given: implementing wide-ranging reforms in the field of human rights and promoting the arrival of highly qualified people to official positions in state institutions that are accountable, representative, transparent and efficiently managed. The EU must do more than in the EMP's first decade to help implement political reforms and encourage South-South cooperation, which is a key element for regional stability.

Conclusion

For the Barcelona Process to be relevant beyond its tenth anniversary, it is crucial that it be reinvigorated and injected with new hope. The EMP's progress during the last ten years, despite some failures, has demonstrated the existence of mutual need between the partner countries and their European neighbours for each other's assistance, cooperation and solidarity to confront the challenges that affect the whole region. Cooperation at all levels should be enhanced in order to overcome the consequences of the prolonged socio-economic crises in the South, which has given rise to organised criminal groups that make large profits from illegal immigration, drugs, slavery and arms trafficking.

The EMP will only be made more successful in the future through a mutual understanding of its conditions and challenges, which means that the hope for more peace and stability can only be maintained if the three baskets of the Barcelona Process are deepened in mutually reinforcing fashion through concrete actions within Morocco.

Conclusions

*Haizam Amirah Fernández
and Richard Youngs*

This compilation of essays has offered a range of views on the Euro-Mediterranean Partnership (EMP). We have expressly chosen, first, to focus in on a specific range of thematic issues and, second, to explore different national perspectives on the EMP. Our aim has been to provide food for thought ahead of the EMP's tenth anniversary summit. We hope the analyses offered in the preceding chapters serve to inform debate also in the wake of this summit, pertinent as European and Arab states have suggested that the November 2005 meeting be used as a platform for galvanising policy deliberation over the medium term.

Amidst much intellectual assessment of the Barcelona Process, we have chosen here to provide short, accessible and opinionated essays. We enjoined our authors to reflect on the EMP's achievements and failings during the last decade, and to do so in a way that led into consideration of the reforms to the Partnership that must appositely and urgently be warranted. Clearly, given the vicissitudes of the international and domestic environments, the failure to secure more far reaching economic, political, social and strategic results cannot be attributed only to the shortcomings in the design and implementation of the EMP. Moreover, it might justifiably be suggested that ten years is a relatively short period of time over which to assess the extent of profound economic and political transformation processes in such a large region. And yet, all our authors assert that change is required to the Barcelona Process that extends beyond the superficial.

Cross Cutting Concerns

While our authors inevitably offer a variety of judgements on the EMP, it is highly significant that a number of common concerns emerge from the preceding chapters. These include:

- A widespread and pervasive disappointment with the EMP's ten-year record, allied with a judgement that many of the bases have, nevertheless, been laid for correcting current shortcomings. Disillusionment with the Barcelona Process appears particularly acute on the southern shore of the Mediterranean. From the preceding analyses a twin paucity of achievement can be identified: the EMP has helped neither governments to development and grow their way to modernisation, nor civil society forces to pressure their way to reform.
- A warning implicit in nearly all of our authors' accounts that 'revitalising' the Barcelona Process properly requires more than simply 'doing more of the same'. The chapters revisit some of the persistent and prosaic problems related to the implementation of EMP commitments. But each also cautions that progress on the principles and commitments of the 1995 Barcelona Declaration requires more than simply providing a little more funding in some areas of cooperation, strengthened political will and improved implementation mechanisms. Rather, our authors agree that, on a number of key issues and trends, some fundamental rethinking is merited on the approaches pursued through the EMP. A risk is that the tenth anniversary summit will eschew such qualitative reassessment in favour of quantitative addition to the EMP's existing *acquis*. This would do a disservice to the opportunity provided by the summit.

- A judgement that policy developments since 9/11 have, if anything, taken the Partnership further away from some of its key founding principles – at precisely the moment when those very principles find such resonance in the challenges effecting the Middle East. ‘Securitisation’ is the spectre either implicitly or explicitly haunting the preoccupations of the vast majority of our authors. This requires policy-makers, dealing with undoubtedly difficult security issues on a day-to-day basis, to take a step back and assess broader trends in strategic approaches that threaten the longer term self-interest of both the EU and Arab partners.
- A shared perception that the United States’ presence has been increasingly felt in the EMP’s evolution. Crucially, the chapters demonstrate this to be the case across the economic, political and security realms. This also suggests itself as a crucial issue requiring deliberation at the tenth anniversary summit, in order both to clear the way for more productive cooperation with the US where this is appropriate and to better understand exactly how and where Europe should seek to retain distinctiveness in its relations with southern EMP partners.
- The need to move towards clarifying the relationship between the Barcelona Process and the European Neighbourhood Policy (ENP). Examining their respective areas of policy, our authors allude in common fashion to the uncertainties engendered by the incipient ENP. The Neighbourhood Policy is presented by most of our writers as a double edged sword, simultaneously offering real advantages over the Barcelona Process, while also threatening to undermine the latter’s genuinely strong points.
- A recognition that complexity remains striking in the relationship between, on the one hand, changes within the multilateral EMP and, on the other hand, the national policy developments of the Partnership’s member states. A decade on from the EMP’s inception, the incremental dynamics of ‘socialisation’ have brought about a refashioning of some national interests around a shared commitment in the Barcelona Process. But the accounts offered in this volume suggest that both European and Arab governments still seek to and succeed in counter-balancing such ‘Barcelona identification’ with more instrumental national interest-maximising strategies. States have been able either to harness or to temper the EMP’s ‘reach’ as they deem desirable for specific national governmental purpose. Indeed, the chapters offered here suggest that the relationship between national governmental agency and the EMP has, if anything, become more complex and varied since the attacks of 9/11.

Rethinking Policies

The EMP was launched in 1995 within a context of optimism, both in the Middle East and the EU. Since then, many reversals that were not directly linked to the EMP have led to a decrease in the initial level of optimism and culminated in an overall sense of paralysis. The efforts that are currently being undertaken to reinvigorate the Process are taking place within a very different context, marked by the crisis caused by the French and Dutch rejection of the Constitutional Treaty and the difficulties in reaching an agreement on the EU’s 2007-2013 financial perspective (a critical aspect for the

future of the Barcelona Process). Such a scenario could lead one to be sceptical concerning the evolution of the Barcelona Process in the short term. Nevertheless, a more positive reading would suggest that these difficulties will increase the resolve of governments and civil societies working to create conditions for more optimism in the long run.

Achievements within the first basket of the EMP, which deals with issues of political and security dialogue, are so far considered to have been meagre. However, the different initiatives that have been implemented within this domain have – many of our authors feel – generated a process of socialisation that has contributed positively to the creation of a Euro-Mediterranean identity.

Despite the fact that the Barcelona Declaration refers repeatedly to *democracy and human rights*, Roberto Aliboni argues that the key is to consider how these stated objectives complement other aims, such as attaining peace, stability, prosperity, human development and cultural cooperation. In his opinion, differing perceptions in Europe and the United States on the root causes of terrorism emerging from the Arab world should not detract the EU from the end goal of its reform plans for the Mediterranean. Indeed, a balance between the EMP's various objectives needs to be maintained. Besides, EU policies should be primarily directed towards the citizens and civil societies of partner countries in order to create the necessary political and institutional conditions for peaceful social change. This implies establishing dialogues with all political and social forces that renounce violence explicitly and are willing to cooperate with the West.

There is ample debate on both shores of the Mediterranean concerning the use of conditionality by the EU. Several of our authors argue that this debate is at the heart of proposals for re-launching the EMP and is directly linked to the expectations raised by the ENP. In contrast to what has happened in the case of new EU member states, the use of positive conditionality in the framework of the EMP has been rather weak during the last decade. In part, this is due to the limited interest that the southern Mediterranean partners have in the rewards and advantages offered to them so far by the European Union. The ENP envisages greater incentives for those countries that implement reforms in line with the agreed Barcelona principles and the action plans that are a result of a 'reinforced political dialogue'. Several authors agree on the need for more appealing incentives, especially in areas that are of high priority for southern Mediterranean countries, such as migration, the free movement of people and free trade in agricultural products.

In this sense, debate persists – as is reflected in this volume – over the use of negative and positive conditionality. If the offer of rewards more tightly linked to specific reforms in southern Mediterranean countries emerges as a point of broad agreement, our Arab authors in particular are sceptical over the desirability of more punitive European pressure. As a minimum, it is essential that European countries develop greater unity on this question amongst themselves. Otherwise, political difficulties will continue to arise every time the EU addresses local realities that provoke negative reactions in non-democratic governments and among conservative religious and nationalist sectors in the southern Mediterranean. Amr Hamzawy observes that, so far, it has been the Egyptian government conditioning the EU more than vice versa, in what he terms a reverse conditionality.

In similar vein, Fred Tanner argues that there is a need to establish clear mechanisms and policies related to *security and defence* issues in the Mediterranean. Police reform and human rights training of police forces in southern partner countries should be developed as a higher priority for the EU. Policies should not, Tanner insists, be limited to enhancing the efficiency of these police forces in preventing undocumented migration across the Mediterranean, as has largely been the case so far.

One of the consequences of the democracy deficit in Arab countries is a range of deficiencies in the defence sectors of these states, such as the limited civilian participation in and oversight over security policy-making, the limited separation of police and military forces and the high levels of defence spending accompanied by a serious lack of transparency and public accountability. In order to help overcome these deficiencies, Tanner proposes a series of measures that the EU can help promote through the ESDP, such as increasing cooperation in the area of conflict prevention and crisis management, and creating networks among civilians and military personnel of EMP countries involved in crisis management and peacekeeping. Most crucially, security policies need to have a precise mandate under the EMP in order to avoid the use by governments in the region of the US-led 'war on terror' as an excuse to impose ever tighter controls and restrictions on their citizens, citing the fear of terrorism as a justification.

The assessments made by Eberhard Kienle and George Joffé of the second basket of the EMP, which deals with *economic and financial affairs*, coincide in showing the weakness of some of the basic economic premises that have been at the core of the EMP since its inception. Firstly, the assumption that there is a causal link between economic and political liberalisation has proven to be incorrect. Kienle shows that this sequencing has not taken place and that in fact there are some countries where economic reform has coincided with political deliberalisation. Secondly, repeated claims that economic reforms in southern Mediterranean countries would lead to an increase in foreign direct investment, which would in turn help create new jobs, have not been realised. Indeed, Joffé points out how during the last decade much of the potential domestic investment has fled the region towards more profitable markets elsewhere. He believes the southern Mediterranean countries have had trouble attracting foreign investment because they lack comparative advantages outside of the oil and gas industries. A range of factors continues to discourage investors, including the lack of transparency and public accountability, inadequate physical and virtual infrastructure, the insufficient level of training and qualified labour, and the small size of national markets. A decade of the Barcelona Process has not helped southern Mediterranean economies sufficiently to integrate into the global economic system. George Joffé argues for higher levels of European direct assistance for building and reconstructing physical infrastructure and revitalising human resources in partner countries. The EU should come up with imaginative formulas for cofinancing this type of projects within the framework of the European Neighbourhood and Partnership Instrument (ENPI).

Economic reforms in southern Mediterranean countries, including the privatisation of former state monopolies, have usually not been implemented in a transparent fashion. Eberhard Kienle offers a harsh critique of such practices, and states that it is reasonable to believe that regimes that are not accountable to anyone will favour their own narrow interests during transitions to a more liberalised economy. One of

the measures that the EU could take to counter this tendency would be to scrutinise those southern Mediterranean companies owned or chaired by members of the ruling regimes or their families. It is this which could help ensure that economic reform leads to the emergence of new centres of power that are willing to compete with existing ruling regimes.

Cultural activities across the Euro-Mediterranean space have increased significantly since the launching of the Barcelona Process. According to Michelle Pace, however, achievements in the third basket of the EMP (social, cultural and human domains) have been modest during the last decade. The holding of Civil Forums accompanying EMP foreign ministers' summits has allowed for enhanced dialogue between civil society actors across the Mediterranean. However, civil society actors have as yet to demonstrate their capacity to put forward concrete proposals in terms of policy substance.

Initiatives have proliferated in areas such as education, culture, youth and civil society cooperation. Nevertheless, these initiatives have faced a series of shortcomings that affect the functioning of the EMP as a whole. There is broad consensus on the fact that the Partnership has become a highly bureaucratised process. The existence of a broad number of initiatives with diverging objectives hinders overall coherence and requires greater degree of coordination. Also, there is a real need for increased financial resources for efforts to have a real impact on societies of both sides of the Mediterranean and for the Partnership to gain visibility at the societal level. Many argue that the limited participation of non-official actors in the decision-making process of EMP initiatives and programmes is one of their major shortcomings. The creation of the Euro-Mediterranean Non-Governmental Platform, as well as increased dialogue between officials and civil society actors in the run-up to the tenth anniversary summit, are positive measures that could lead to more constructive cooperation in the future.

The extension of educational programmes such as Tempus – and possibly Erasmus – to the southern Mediterranean is most certainly an achievement. Critics, however, consider that such programmes are elite-oriented and remain relatively unknown outside certain milieux. Furthermore, exchanges tend to be mostly one-way. The EU Commission proposal in April 2005 to substantially increase member states' support for educational and vocational training in southern Mediterranean countries, including scholarships for university studies in Europe with a percentage of grants reserved for women, is a step towards addressing such critiques. Crucially, however, EU institutions and member states need to address the constraints to mobility that hinder cultural exchange. Accordingly, European migration and visa policies need to be adapted to bring down the barriers that prevent true cultural dynamism from taking place within and among Euro-Mediterranean societies.

Since 9/11 and as a result of terrorist attacks – including the most recent ones on European soil – the cultural aspects of the EMP have acquired political salience. This has led advocates of the third basket of the Partnership to highlight its distinctiveness; because of the transversal nature of cultural and social activities and their interconnectedness with economic and political aspects, the third basket could become an effective tool – in conjunction with the first and second baskets – to

advance democratic reform. Michelle Pace emphasises the need to include cultural programmes in European policies aimed at promoting democracy in the Euro-Mediterranean space, and the need to monitor the results of these initiatives. Such a suggestion is consistent with the UK Presidency's proposal to focus on a series of benchmarks to be achieved during the next decade.

Over the past few years, the European Union has launched a series of initiatives to deal with issues related to *migration*. One problem facing the EU, according to Bichara Khader, is the persistence of a deeply-rooted security approach to migration. Such a security-oriented approach is exemplified by the decision to place issues related to illegal immigration under the third basket of the Barcelona Process, along with other 'transnational risks' such as terrorism, organised crime and drug trafficking. Arguing for the inclusion of such issues in the political and security basket, Khader emphasises that such an approach is likely to produce unrealistic policies – as reflected by the lack of a common migration policy in the EU and the resulting inconsistency in national policies. The increased regularisation of illegal immigrants living and working in European countries, such as the regularisation process that took place in Spain in the first half of 2005, has emphasised the limitations of restrictive visa policies. A possible way of establishing more realistic policies would lie in the creation of a more flexible visa system, as recommended by the European Parliament. With restrictive migration policies merely encouraging the growth of illegal immigration, Bichara Khader argues that the EU should consider removing visa requirements. While, of course, it is unlikely that such an idea would elicit much support in Europe, this is certainly an area where the drift of current policy developments threatens to undermine other areas of cooperation and the general sense of 'partnership' that ostensibly guides the EMP.

Seizing the Moment

Recent years have witnessed a shift in the US administration's Middle Eastern policy from a discourse of benign neglect to one of proactive engagement for democratic reform. Such declarations have still to bear fruit. In the post 9/11 international context, the EU should seek to complement its democracy-promotion efforts in the Mediterranean with other initiatives that have similar objectives, such as the American Broader Middle East and North Africa (BMENA). Nonetheless, the European Union has already built up an *acquis* in this area that should maintain its own specificities, to avoid possible confusion in targeted countries concerning the aims and means of each initiative. The EU is currently in a good position to encourage Arab countries to reaffirm their commitment to the Barcelona principles, which are viewed by many as less interventionist and more respectful to national sovereignty than the policies of the Bush administration.

Europe should take advantage of this momentum to encourage southern Mediterranean governments actively to engage in the promotion of democracy and the rule of law. At the same time, the EU needs to provide a significant amount of resources to offset the negative effects that economic liberalisation is having on societies in transition. Current EU funding to the Mediterranean, although far more generous than American funding, is still insufficient to meet the enormous challenges facing the region. If the EU does not accompany its well-intentioned rhetoric with a larger involvement in the Mediterranean at all levels, especially through engagement

with southern Mediterranean civil societies, the Barcelona Process runs the risk of losing its relevance, as fatigue on the part of potential reformist partners could divert their attention to other non-European proposals.

If the evolution of EU policy renders new European effort and ideas opportune, changes within the EU also make it essential that the Barcelona Process reaffirm its relevance to contemporary challenges. The bilateral approach underlying the ENP can be viewed as a response to the lack of coordination that besets the policies of the southern Mediterranean countries. Such an approach could be advantageous for countries who want to deepen their relations with the EU at a faster rate than others. However, policy-makers need to be aware of the risk inherent in this approach, as it could widen existing differences among southern partners and undermine the creation of a common Euro-Mediterranean region in the process. The EU has still to clarify missing details in relation to the implementation of the ENP and how the relationship between the Neighbourhood Policy and the EMP will be articulated. If the tenth anniversary summit were to map out a more detailed plan for ensuring the complementarity of these two initiatives, this would help reassure many doubters in both Europe and the Arab world.

In sum, a challenging agenda presents itself ahead of the EMP's tenth anniversary summit. As this volume has shown, these challenges relate both to the design of individual policy areas and the broader regional and international context within which the Barcelona Process now finds itself. At the same time, the EMP's very success in establishing itself firmly as an innovative framework of relations between European and the southern Mediterranean provides a firm foundation for reassessment and self-critique. A failure to utilise this potential for change would corrupt the very principles upon which the Barcelona Process was founded ten years ago.