# Europe in the Reshaped Middle East

Kristina Kausch and Richard Youngs (eds.)

FRIDE
A EUROPEAN
THINK TANK FOR GLOBAL ACTION

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# Preface

*Kristina Kausch and Richard Youngs*

Eighteen months after the start of the Arab uprisings in Tunisia, the Middle East and North Africa (MENA) region has never looked so insecure, yet so full of promise for a better future. Transitions are underway in several Arab countries, with mixed achievements. Trends are likely to oscillate between positive change and backlash, between breakthroughs and effective authoritarian resistance.

At the same time, popular uprisings have also accelerated power shifts in the MENA region. The rise of Islamist political parties is likely to alter Europe's engagement with Arab states towards more targeted, interest-based partnerships. The outcome of the conflict in Syria will refashion the dynamics of alliances in the security-sensitive Mashreq. The relative decline of EU and US power in the region, the increasing clout of emerging powers and the Gulf as regional players, the impact of the global financial and economic crisis, and the effects of the European Union's internal identity crisis on its foreign policy-making, add further complexity to the picture.

Europeans must stand ready to understand the region's new paradigm as it gradually takes shape. In the midst of the EU's greatest crisis since its formation, Europe's Mediterranean policy remains

in limbo. Developments in the South advance at a vertiginous pace with which Western policy has trouble keeping up. Many elements of Europe's response to the Arab democratic uprisings have been admirable and timely. Beyond initial ad hoc measures, a consensus has emerged that there is a need for a qualitative rethink. But what form should this 'redefined Mediterranean' take? Both Northern and Southern shores must develop new tools, approaches and attitudes towards the new Mediterranean as it emerges. The momentum is there for the Southern Mediterranean to turn from a perceived threat to Europe into a source of shared opportunity. The region is changing, and so must Europe.

Over the past decade, FRIDE has become known for its research on political reform issues in the Arab world. For a long time the only European think tank specialised on democratisation and 'Arab reform', FRIDE has a long trajectory in the region, upon which our work on the democratic uprisings was able to build. Over 2011 and 2012, FRIDE's research team has published a wide variety of essays and articles on the so-called 'Arab Spring', sixteen of which are collected in this volume.

The collection is divided in three parts. In **Part I**, authors assess specific transition challenges from either a cross-regional thematic or a country angle. **Part II** takes a closer look at Europe's response to the democratic uprisings, from both an EU and selected member states' perspectives. **Part III** assesses possible scenarios for the future of Euro-Mediterranean relations in the post-revolution era. We have collected a selection of our work over the last eighteen months in order to help the reader link together different parts of the policy puzzle and to highlight how perspectives have evolved since the momentous events of early 2011. This is a snapshot of a story that still has a long way to run.

# PART I: **TRANSITION CHALLENGES**

# 1. Constitutional Reform in Young Arab Democracies

*Kristina Kausch*

*First published as FRIDE Policy Brief on 18 October 2011.*

Across the Arab world, emerging democracies are set to re-write the fundamental rules of their political order. Revolutionary Tunisia, Egypt and Libya are about to embark on drafting new constitutions as a clean break with their authoritarian past. A look at both successful and failed transition experiences from around the world provides useful evidence of the main pitfalls of constitutional reform.

How to sequence constitutional reform with elections will involve a trade-off between the stability and legitimacy offered by early elections, and the political and legal vacuum arising from establishing a new political order without the foundation of a basic legal consensus.

Legitimacy is the cornerstone of the broad national consensus any constitution must represent. Non-elected interim governments in Tunisia, Libya and Egypt have been faced with varying degrees of public discontent and protests in response to the lack of participation, transparency and inclusion in the drafting process of the respective constitutions.

An insufficient inclusion of ethnic and/or religious minorities in the new order, and in particular the exclusion of former regime loyalists, fosters a social polarisation which can endanger the whole transition process. The deliberate integration of the 'losers' of the revolution into the new political order, although facing considerable resistance, will in the long run be better for national cohesion.

Constitutional reforms in emerging Arab democracies will need to achieve a de-concentration of power by decentralising decision-making and resources, instituting a strict separation of powers with checks and balances, and establishing effective safeguards to protect human rights and civil liberties.

## Constitutional Rupture in Tunisia, Egypt and Libya

Unlike in Egypt and Libya, the Tunisian interim government has bowed to popular demand to prioritise the drafting of a new constitution over early elections. A Political Reform Committee composed of legal and political experts, representatives of civil society, and political parties from across the spectrum has been entrusted with drafting transitional laws and steering the transition process. The newly elected constituent assembly will draft a new constitution, which will then be put to public referendum. Unlike the transitional roadmaps in Egypt and Libya, the Tunisian document sets no time limit for the drafting.

The integration of Islamists in the political process and, more specifically, the place Islamic principles will take in the new constitution, will be a particularly demanding challenge for Tunisia's secular system which outlawed and oppressed Islamists for decades. For the first time in the country's history, legal Islamist parties will contest elections, with the role of religion in the nation's new political setup sure to be controversial. The Islamist-secularist division under the Ben Ali regime has left its mark on the political culture. The withdrawal of Tunisia's

most popular Islamist party, en-Nahda, from the Political Reform Commission in protest at the postponement of elections until October could be a sign of a dangerous polarisation. The participation of all relevant political movements in the constitutional drafting process will be crucial for the new constitution's legitimacy and success.

Boosting voter education and awareness will have to be done quickly. Registration and voting procedures are not clear, particularly in rural areas. A recent poll showed that, while 95 per cent of Tunisians planned to vote in the 23 October elections, over half of them had no or only a vague idea of what they were actually voting for, with some expecting to elect a new president and others expressing hope that the constituent assembly would take over government tasks.

In Egypt, the sequencing dilemma was illustrated by the public controversy over whether 'Constitution First' or 'Elections First' was the best way to lead the revolution toward democratic order. The ruling Supreme Council of the Armed Forces (SCAF) has outlined the course of the transition period in an unequivocal sequence: parliamentary elections starting on 28 November, followed by the election of a constituent committee (consisting of and chosen by members of both houses of parliament) which will have six months to draft a new constitution before it is put to referendum.

The SCAF, initially hailed for siding with the revolutionaries against Mubarak, is now viewed by the public with a suspicion that recalls Mubarak's time. The military council's chaotic ad-hoc transition management has been marked by a lack of transparency, participation and coherence. In March, the SCAF put a number of amendments to Egypt's 1971 constitution to referendum, only to publicly issue a set of different amendments only a few weeks later. Decisions regarding the constitutional reform process were largely taken top-down by the SCAF, which has been rejecting a truly inclusive formal consultation process. A swift withdrawal of the military leadership from its current

governing tasks will be a major challenge to Egypt's constitutional process. Remarks by leading generals hinting that Egypt should follow the Turkish example of establishing the military as a constitutional safeguard of democratic order are not encouraging. Recent violent clashes between Copts and the military have been interpreted by many as an SCAF plot to prolong its rule.

Libya's Transitional National Council (TNC) in July presented a draft interim constitution, which includes a clear timetable for the rest of the transition period, leading up to the adoption of a definitive constitution. It sets a clear sequence of events and deadlines: within eight months of the fall of the Gaddafi regime elections for a National Assembly must be held, after which the TNC has to step down. An elected committee will then draft a new constitution which will be adopted by the Assembly and put to public referendum.

While the roadmap itself embraces the principles of transparency, participation and inclusion, the way the document was drafted did not. The TNC has been accused of representing only Eastern Libyan and NATO interests. Protests broke out in August against the opaque way in which the self-appointed TNC had nominated a number of former Gaddafi loyalists as members of a new government without prior consultation. The TNC's lack of transparency had previously been noted with regard to oil deals. As a self-appointed body with considerable power during the transition period, the TNC will need to ensure a more inclusive and transparent process if it wants to remain legitimate in the eyes of Libyans and international partners.

Challenges to constitutional reform in Tunisia, Egypt and Libya include how to sequence constitutional reform with elections; ensuring broad legitimacy; preventing polarisation via inclusion, and the protection of minorities; and the de-concentration of political and economic powers. A look at the experiences of constitutional reform in other regions sheds light on how similar challenges were confronted.

## Lessons from international experiences

In terms of sequencing, the case of Kenya illustrates the trade-offs that any choice of sequence requires. Following the crisis of 2007-08, a government of national unity (GNU) was formed in Kenya before the drafting of a new constitution. This specific sequence adversely affected prospects for greater inclusiveness in the longer run, as political jostling and dysfunction within the GNU blocked a number of key legislations needed to implement important provisions of the 2010 constitution.

Practical actions to enhance legitimacy may include not only elections for a constituent assembly but also an inclusive, transparent drafting process, stakeholder consultations, civic education, independent electoral observation and the approval of the final text by referendum. Kenya's overall constitutional reform process received international praise for the participatory way in which the reform was approached. Far-reaching civil society stakeholder consultations were rightly seen as an important factor in the process of national reconciliation. The consensual reform agenda generated in this process fed into the new constitution, which was approved by referendum in 2010 by almost 70 per cent of the electorate.

A downside of the requirement to ensure legitimacy via transparency, participation, inclusiveness and electoral representation is that all these tend to come at the expense of time and efficiency. In Nepal, disagreement between the various actors on federalism, ethnic proportional representation and religious diversity in the constitution has led to a stalemate in the political reform process. In a similar vein, the case of South Africa illustrates the trade-offs that can arise between efforts to ensure legitimacy and greater economic inclusion. Politicians' failure to redistribute the economic pie in a more equitable way led to the emergence of new spoilers in recent years. Actualising constitutional safeguards for economically vulnerable groups now presents the most serious challenge to South Africa's constitutional order.

The importance of the inclusion of all societal groups in the new arrangements has been widely emphasised in transition literature. Cases abound in which pragmatic pacts between rivals have played a key role in providing the stability that allowed for a peaceful transition. Spain is typically held up as an example of a successful pacted transition. Built on a broad consensus in spite of significant divides, including the deliberate and systematic inclusion of former Franco loyalists, the Spanish transition was a complex bargain. The pacted transition also had some drawbacks, however, such as the lack of transitional justice which continues to haunt the country almost four decades later. The 1989 constitutional reform in Chile constituted a pact between the military and the opposition in which the former retained significant autonomy and privileges in exchange for political liberalisation. The result was a successfully steered transition with an institutionalised coordination between the opposition and the right/military. While this trade-off provided stability, it also institutionalised the military's far-reaching autonomy from civilian control in the long term.

The dangers inherent in the exclusion of specific groups are clearly demonstrated in the case of Iraq. The country's history of sectarian conflict was reflected in the foreign-managed post-war 2005 constitutional reform. Although a consensus in favour of the new constitution was eventually forged, both the drafting and the referendum process were marked by sectarian tensions between the Shi'a majority and the Sunni minority as the latter felt its rights and interests were being undermined. As the war shifted power from Sunni to Shi'a, the former came to perceive the post-war order as a form of vengeance, which has perpetuated ongoing violent tensions. Iraq's example illustrates the risks of excluding the 'losers' from actively participating in the new order. An equally negative example is the government of Sri Lanka who has driven a deliberately exclusionary course toward the Tamil minority following the brutal defeat of the Tamil Tigers. Constitutional reforms helped the government implement exclusionary policies by reinforcing the powers of the

president. The systematic policy of excluding the Tamil minority from political and economic decision-making is likely to lead to more conflict in the long run, thus reducing the prospects of a peaceful transition.

The constitutional reform process in South Africa in the mid-1990s was a compromise which explicitly protected the political and economic interests of the incumbent regime and its military and security forces. The deliberate emphasis on inclusive consensus-building provided both sides with enough safeguards. Crucially, the African National Congress agreed to a period of transitional power-sharing, and a pledge to protect the jobs and incomes of civil servants, army and police. Timothy Sisk notes that the far-reaching 'concessions to potential spoilers of the pact brought these parties into the Government of National Unity at the eleventh hour and averted a bloody showdown (T.D. Sisk: 'Between Apartheid and Sustainable Democracy', CDDRL, 2009)'. In Kenya, in turn, the population chose to address highly contentious issues in the new constitution over pandering to the demands of potential spoilers. As a result, obstructive politicians and powerful security figures have successfully slowed down constitutional implementation ever since.

The inclusion of religious and ethnic minorities and former regime figures will be among the main pitfalls of emerging Arab democracies' constitutional reforms, and their democratic prospects on the whole. The Libyan TNC's vow to include Gaddafi loyalists not accused of crimes against humanity into the new interim government has fostered country-wide protests. The protection of the rights of religious and ethnic minorities, namely Copts in Egypt and Berber and Sub-Saharan Africans in Libya, will be another central challenge in post-Arab Spring constitutions. The notable absence of any form of specific ethnic or racial identity in the Libyan draft interim constitution stands in stark contrast to Morocco's recent introduction of an explicit reference to Berbers, and the Tamazight language, in its constitution.

A de-concentration of power, both political and economic, via constitutional reform has proven a major challenge across the world. During and after popular revolutions in post-communist Europe constitutional amendments were used by both old and new regimes to cement their hold on power. In Ukraine, when faced with the prospect of losing power to the opposition, the authoritarian Kuchma government amended the 1996 constitution in the midst of the 2004 electoral crisis leading up to the Orange Revolution. The amendments changed Ukraine's political system from a presidential to a parliamentary system, and were widely considered a rushed, and ultimately, unsuccessful attempt by the Kuchma regime to resolve the electoral crisis in its favour.

The instrumentalisation of constitutional reform to consolidate incumbent rule, however, has not been a tactic exclusive to unelected authoritarian regimes. When former Georgian Rose Revolution leader Mikheil Saakashvili approached the constitutional limits of his presidential rule in 2010, he introduced a set of amendments to reduce the powers of the president in favour of the prime minister. These have been criticised as an attempt by Saakashvili to bypass presidential term limits and – echoing the current setup in Russia – maintain his hold on power via a strengthened prime ministry. Venezuela's constitution, first promulgated in 1999 under Hugo Chávez, is another case in point. Amendments adopted in 2009 on Chávez's initiative allowed for unlimited re-election of the president and other key offices, creating conditions favourable for authoritarian rule.

By contrast, the 2010 constitution of Kyrgyzstan has been widely hailed as a successful attempt to decentralise power via a democratic constitution in a post-revolution context, this in a region where highly centralised strongman rule is still the norm. Having ousted two power-abusive presidents via revolution in five years, the Kyrgyz people approved a new constitution in July 2010, shifting Kyrgyzstan to a parliamentary system and establishing particularly far-reaching safeguards preventing a concentration of power in the hands of one person or branch of government.

## Conclusion

In the post-revolutionary settings of Egypt, Tunisia and Libya, ensuring the right sequencing for a legitimate, inclusive constitutional process that will lead to a de-concentration of powers and a peaceful democratic transition is a complex challenge.

First, balancing public demands for electoral representation with democratic legitimacy through swift constitutional reform will remain a fragile tightrope in emerging Arab democracies. On the one hand, the holding of parliamentary elections before constitutional reform may be preferable if the interim government is weak or lacks legitimacy in the eyes of the people, as is the case in Egypt, and increasingly so in Libya. On the other hand, as the repeated postponing of polls in all three countries has shown, in a region with weak or no political parties and low electoral capacities, holding genuinely democratic elections within just a few months of a revolution is illusory. In Egypt, quick elections under a pre-revolutionary electoral framework will not only foster destabilisation, but also distort political competition in favour of well-established parties, in particular the Muslim Brotherhood and former NDP stalwarts. In contrast, Tunisia's choice of holding constituent assembly elections first is susceptible to leaving a non-elected interim leadership in charge for too long, thereby increasing the chance of the abuse of power.

Second, constitutional drafting processes in Libya, Egypt and, to a lesser degree, in Tunisia, currently lack the popular legitimacy needed for the final text to provide the basis for a fresh start towards a sustainable democratic order. As non-elected interim leaderships with substantial influence throughout the transitional period, the SCAF, the TNC and the Tunisian interim government all need to pay much closer attention to a systematic application of transparency if they wish to avoid being swept out of power by angry crowds.

Third, the inclusion of all political parties, regions, ethnic groups, tribes and religious/sectarian organisations in the new societal consensus will be fundamental for the stability of the ensuing transitions. In Tunisia and Egypt, where people have stood up for the new order, and even more in Libya where change has come at the price of civil war, people naturally feel a strong ownership over the legacy of their struggle. The temptation to seek revenge on former regime loyalists is great. Calls for the exclusion of former NDP figures and immediate transitional justice in Egypt have been loud. In Libya, revenge has led to acts of violent collective punishment. Numerous examples of successful and failed past transitions, however, illustrate how the polarisation of society deriving from retribution and political and economic exclusion can quickly see a return to the pre-revolution order by impeding the formation of the basic consensus that a fresh start requires.

Fourth, previous transition experiences show that constitutional reforms have often been used by governments to entrench their own rule. This is currently a very tangible danger in all three countries. Heated controversies over constitutional reform are often rooted in fears that such reforms may represent a one-time opportunity. In Egypt, the prospect of integration into the constitution of the ruling military's role as a 'safeguard' of the democratic order has become dangerously palpable. Widespread fears that Islamists may hijack the constitutional process to establish an irreversible theocratic order have been used by the military leadership to justify their continuing political role. As the polarisation between Islamists and secularists, fomented under the previous authoritarian regimes, is approaching its conclusion, however, authoritarian manipulation must not stand in the way of a truly representative constitutional process that restores power to a democratically elected civilian government.

# 2. Religion and Politics in Arab Transitions

*Barah Mikaïl*

*First published as FRIDE Policy Brief on 21 February 2012.*

Islamist parties, excluded from the political sphere for much of the last decade, are now coming to the forefront of Arab politics. The electoral victories of Ennahda in Tunisia and the Muslim Brotherhood in Egypt suggest that the future of Arab politics will be dominated by decision-makers with faith-based political agendas. But the part that religion should play in the new political orders of Tunisia, Egypt and Libya, and how its involvement might be shaped in law and practice, remains the subject of controversy and debate.

The role of religion in Arab politics will be determined by the people of the region. Religious parties and movements cannot be excluded from the political process. But the success of faith-based movements at the polls can exacerbate social tensions. Recent electoral results seem to indicate that strict secularism will not be an option for the new Arab states in the near future. It is yet to be seen which formula of faith-based politics emerging democracies will adopt, on the spectrum between Iranian-style theocracy or Turkish religion-inflected secularism.

The line between religion and ethnicity, culture and tradition is not always clear. It is important, however, to distinguish between religions, such as Islam and Christianity, and faith-based political ideologies, such as Islamism and fundamentalist Christianity. Whereas religion is a matter of personal identity, ideologies serve a political agenda. This policy brief will explore the role of religion and faith-based ideology in Arab transitions. And it will try to draw some lessons from other countries and regions on the different roles religion can play in a society's path towards democracy.

## Religion in North African transitions

Long before the 'Arab Spring', religion was recognised as a major force in Arab politics. The electoral results of 2011 confirm that (relatively) free elections in the Arab world show strong public support for political Islam, as already seen in Algeria in 1990, Egypt in 2005 and the Palestinian territories in 2006.

In 2011, new Islamist parties emerged and previously established ones consolidated their positions. In Tunisia, Ennahda won the greatest number of parliamentary seats. In Egypt, the Muslim Brothers and several Salafist parties together accounted for two thirds of the Legislative Assembly. The role of Islamist forces in Yemen remains uncertain, but their influence in Libya is clear. In Jordan and Morocco, Islamist political actors are gaining in importance. The victory of Morocco's Justice and Development Party (PJD) in the country's 2011 elections led to the appointment of the country's first Islamist prime minister.

The fact that it has a Muslim majority does not mean that the Arab world must automatically embrace Islamist rule or reject secularism. Islamists are benefiting from their former exclusion and/or persecution by ousted leaders. The search for strong alternatives to the old regime has encouraged people to support faith-based parties.

Islamist movements' history of opposition to and persecution by the recently toppled authoritarian regimes has given them credibility and legitimacy, which they used effectively during their electoral campaigns. Meanwhile, liberal and secular parties may have lost ground for not opposing the former leaders strongly enough.

For decades, leaders from the Middle East and North Africa (MENA) controlled the religious sphere in their countries, either by influencing religious leaders, as in the case of al-Azhar in Egypt and the Muftis in Saudi Arabia and Syria, or by direct interference, as in Iraq under Saddam Hussein, as well as in Jordan, Algeria, Morocco and Libya. But efforts to eradicate religious-based political parties and the instrumentalisation of religion did not diminish religion's popular appeal. In the public imagination, religion became the trademark of movements that challenged authoritarian rulers, who persecuted them out of fear. These religious groups' defiant stance brought them a popularity that was further augmented by their charity and social work. Islamists presented their charity activities as filling the gaps left by the government's neglect. For them, this was evidence that religious movements were best able to provide relief for social and economic ills, as expressed in the Brotherhood slogan '*Al-Islam Houa al-Hall*', 'Islam is the solution'. So, when the Arab Spring began to sweep through the region, Islamist parties could make a case that they were the only credible alternatives to authoritarian power. This image, combined with access to foreign funds mostly from Qatar and Saudi Arabia, gave the Islamists an advantage in the ensuing elections.

The current Islamist momentum does not necessarily mean that religious precepts are set to dominate the Arab world. In Tunisia, Egypt and Libya, tensions between secular and Islamist actors still exist. Many secularists and liberals doubt the Islamists' democratic commitment, while Islamist parties continue to try to reassure their domestic opponents and the international community of their democratic credentials. In Tunisia, Ennahda insists on a fundamental role for religious rules in the country, even as secular parties reject this direction. But parliamentary debates on

the future Tunisian Constitution must begin before concrete issues are decided. In Egypt, too, efforts to draft a new framework for governance are under way. The Muslim Brothers control the parliamentary committees for external affairs (diplomacy, defence and energy) and Salafis are at the head of the committees for economy, education and religious affairs. This suggests that Egypt will most likely evolve towards more conservative rules and an Islamisation of social life. In Libya, the National Transitional Council (NTC) has insisted from the outset on the importance of Sharia for the country, which may give some indication of the influence Islamists are likely to have on Libya's future.

Drafting a new constitution gives new deputies the chance to determine the degree to which religion will affect their country's future political, legal and social system. New provisions will have to comply with international law as well as taking into account the rules of Islam. This should allow a break with former authoritarian laws while ensuring, as far as democratically possible, compliance with Islamic values. Achieving this balance will be a very tough challenge. Even under previous nominally secular regimes, some social issues were based on the rules of Islam, for example, inheritance, polygamy, family code and minority rights, with particular implications for women's rights. In the current debates, the most contentious issues include the right to sell and drink alcoholic beverages, women's wearing of the veil, suspension of activities during prayers, religious instruction and respecting freedom of belief.

Western partners typically view a strict separation between state and religion as a necessary prerequisite for a democratic political system. But this vision is not viable in the MENA context, where religion cannot at the moment be excluded from the public sphere. The divide between faith-based and secular political actors in the Middle East is an illusion. Progressive and nominally secular parties do not isolate themselves from religious beliefs. Any attempt to definitively exclude religion from public and political life would be

met with harsh public criticism. Neither is secularism necessarily desirable for the region, since religion can serve as a powerful force for national cohesion, for example, in providing common ground between conservatives and liberals. This is due in part to the fact that, in Islamic belief, affiliation to the Islamic community *(Umma)* transcends any ties to a nation-state.

## Religion and transition: international experiences

Past international experiences provide some lessons on how to balance the democratic rule of law with religious norms and traditions. They can also shed some light on the underlying pitfalls of this process. But drawing conclusions from past transition processes is risky, since countries in transition rarely undergo exactly analogous processes. So, while some common points can be identified, it is important to be aware of the specificity of each individual nation.

*Transition to democracy often leads to modernisation, but modernisation does not have to come through secularisation.* In former Yugoslavia, excluding religion from the political sphere did not lead people to abandon their religiously informed political views. When the Socialist Republic of Yugoslavia disintegrated, formerly coexisting communities found in religion a common marker to fuel their mutual animosity. In Bosnia and Herzegovina, Croats were automatically identified as Catholics, Orthodox as Serbs, and Muslims as Bosnians. Indonesia, Malaysia and Singapore all went through transition processes without completely excluding religion from the political sphere. In Turkey, despite Ataturk's secular orientation, Islam remains a strong reference point both for the population and for the incumbent AK party.

*The degree of religiosity of a society will influence the role religion plays in a transition. But a strong role for religion does not necessarily impede the consolidation of a democratic order.* Authoritarian regimes abolished

ideological trends informed by religion, but a healthy democracy allows for a wide range of views. In Indonesia, the post-Suharto period since 1998 has enabled greater tolerance of religious beliefs, including in politics, even though the situation remains fragile due to regular violence and the marginalisation of some religious communities. But pluralism, however imperfect, lets Indonesian political parties refer to religious beliefs. In South Africa, political parties take account of Christian (African Christian Democratic Party) and Muslim (al-Jama'ah) values in defining their programmes. In Poland, Catholicism plays an important role in society and the Catholic Church has popularity and prestige. Some political parties, such as the Catholic-National Movement and the National People's Movement, refer specifically to Christian values. A high degree of religiosity in some societies, for instance Mauritania and Pakistan, has enabled a greater number of parties with platforms based on religion to appear during transition. Even in predominantly non-practicing societies, parties with religious perspectives can have some appeal (see for example the Albanian Christian Democratic Party, the Slovenian People's Party, or the Christian Democratic Union in Latvia). But the chances of success for such parties are higher in very religious and/or conservative countries. In Turkey, a politically secular country, it took eight decades before a religious-based party took power.

*Minorities' attempts to achieve political gains during transition processes may lead to segregation into religiously defined communities, including through territorial fragmentation. This can increase the risk of sectarian tensions.* The risk of segregation is especially high when minorities and communities are based on religion (such as Shi'a groups in a mostly Sunni environment or Protestants in a Catholic environment), on language (like Berber languages and Arabic, or Flemish and French), or on ethnicity (Kurds in an Arab or Turkish environment, or Tutsis among Hutus). This situation has occurred in Iraq, where the transition process since 2003 has brought about a territorial separation between mostly Sunni Kurds and Sunni and Shi'a Arabs. In Turkey, Kurds are still fighting for their rights and

have formed their own political parties. The Turkish State continues to refuse their demand for recognition of their distinctive ethnic identity. In Northern Ireland, tensions still exist between Catholics and Protestants. In Afghanistan, the current chaotic transition period has not allowed national ethnic and religious communities, like the Shi'a Hazaras and Sunni Pashtuns, to build shared perspectives. In Nigeria, violent confrontation between Christians and Sunni Muslims is common. The more a country opens itself to pluralism, the more its communities are likely to try to strengthen their positions. This can eventually result in animosity and mutual tension. So, to allow pluralism to succeed and avoid sectarian conflict, it is important that countries spend sufficient time on mutual confidence-building and take determined political steps to ensure peaceful coexistence.

*Religious issues are often closely linked with power politics. Various actors use religion to enhance their own political power.* In the 1980s in Latin America, the Catholic Church played a key role in transitions from authoritarian regimes to democracy. The Church initially supported the National Reorganisation Process in Argentina (1976-1983). It kept its distance from Pinochet's rule in Chile, but stayed closer to popular movements for change in El Salvador. National churches even mediated between conflict actors in Argentina, Chile, El Salvador and Guatemala. In Turkey, the ascendency of the Gülen movement, an influential Sufi Islamic brotherhood, shows religion as a powerful prop for the political ambitions of theologians.

Some conservative governments provide financial support to religious institutions in order to enhance their countries' influence through these groups' proselytising activities. Evangelical organisations in Latin America have converted 30 per cent of Guatemalans, 20 per cent of Brazilians and 10 per cent of Venezuela's inhabitants to Evangelical Protestantism. Many of these groups receive funds from the US and other governments. Saudi Arabia funds Islamic religious centres and mosques around the world, for example in Argentina, Afghanistan, Pakistan and

Kosovo. Iran is said to be developing its influence through financing Shi'a-related initiatives in, for instance, Senegal, Iraq and Afghanistan.

*Cultural and religious determinism is a myth.* Prosperity and strong religiosity are not incompatible, and no religion or belief is more favourable to peaceful transition to democracy than another. Genuine democratisation does not unavoidably mean the triumph of secularism. Similarly, theories that consider Islam as by nature incompatible with progress, pluralism and democracy are mistaken. Political parties that base their programmes on religious considerations are not opposed to wealth, prosperity, the free market or liberalism. Christian Democrats in Chile, Germany, Ireland, Poland and Spain as well as Islamic parties in Indonesia, Malaysia and Turkey generally promote healthy economic perspectives and growth. With globalisation, economies have become interconnected and countries have had to minimise the impact religious considerations have on their political and economic decisions. Some predominantly Christian Western European countries like Greece, Portugal and Spain and some Eastern European countries, such as Poland and the Czech Republic, performed well during and after their transition periods. Other similarly religious European societies, such as Albania, Bulgaria and Romania, encountered more difficulties. Israel's economy does well, independently of religious considerations. In the Muslim world, the economies of Bangladesh, Egypt and Tunisia are struggling, whereas Indonesia and Malaysia are thriving. In Christian Brazil, Shinto/Buddhist Japan and Muslim Singapore, transition and modernity have succeeded without any direct link to the country's majority religion.

## Conclusion

Religion has a big part to play in the MENA region. Religious leaders and influences dominate in Tunisia and Egypt, and the same thing could occur in Libya and Yemen. Elections in Morocco have confirmed

the ascendancy of Islamist leadership in that country. Lebanon may stand as an exception, even though religion is a strong referent for its 18 coexisting communities. For now, Western-style secularism is not a realistic option in these countries. Integrating religious principles into a genuinely democratic order will be among the greatest challenges for these societies in the decades to come.

This does not mean, however, that religion will remain the dominant political factor in the long run. Religious parties have benefited from their status as strong alternatives to former regimes, but without the contrast of the authoritarian regimes they have replaced, they will be judged on their results. If they succeed in charting a better path for their countries, they may hold power for years. But if they fail, they will be held accountable. The next round of elections in the young Arab democracies will be a strong indicator of the likely longevity of the Islamist political current. The funds that the international community makes available to countries in transition may also determine the success of the currently emerging Islamist rulers. And it could affect their policies, depending on whether the international community insists on conditionality in return for its aid.

The objectives and ideological and political influences of these parties may cause them to adopt any of a range of political models, from the so-called 'Turkish model', where religious freedom is guaranteed even though a religious party is in power, to a theocratic model such as that of Iran. That said, in the decades since the Iranian Revolution, societies have evolved considerably, and so has Islamist ideology itself. Popular demands for change have been based on standards that include the recognition of religious and political pluralism. An increasing majority of the population in many Arab countries is young, and few of these young people seem eager to merge politics and religion at an institutional level. So, evolution towards a Saudi or Iranian model is possible, but rigid theocratic structures seem unlikely to prevail in the long term.

The most urgent challenge for the MENA region is building new and modern states that guarantee citizenship and human rights, including freedom of belief. To ensure the success of this endeavour, the new leaders need to aim for transparent and fair parliamentary debates. And they must heed the international community's advice and recommendations on peaceful transition and good governance, the maintenance of free and open democratic processes and the improvement of economic conditions.

# 3. Don't forget the Gulf

*Ana Echagüe*

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The recent upheavals in the Middle East and North Africa (MENA) highlight the futility and anachronism inherent in the European Union's (EU) highly fragmented foreign policy towards the region. The uprisings evidence how Europe's divide of the Mediterranean versus the rest is self-serving and overlooks strong political and economic relations between Maghreb, Mashreq and Gulf countries, as well as the bonds of 'Arabism' that play into these relations. Events in Bahrain and Yemen demonstrate the pan-Arab reach of the initial Tunisian spark. Energy and security issues also suggest the appropriateness of considering an enlarged Mediterranean region which encompasses North Africa, the Middle East and the Arabian Peninsula. Tellingly, neither of the EU policy documents put forth since the revolts, 'A partnership for Democracy and Shared Prosperity with the Southern Mediterranean' and 'A new response to a changing Neighbourhood', makes any reference to the Gulf states. The fragmentation of policy is counterproductive not only because it fails to leverage cooperation potential with the Gulf on Mediterranean issues but also because it encourages the perception of the Gulf as an exception and thus denies

support to reform efforts in this region. While full democratisation is unlikely in the Arabian Peninsula, deepening the links between the Gulf and North Africa could serve as an indirect approach towards reform by exposing the Gulf to the more liberal trends that are permeating North Africa. The hub-and-spoke Euro-Med paradigm should have long given way to an emphasis on broader regional integration. EU partnerships should be open to the wider Middle East.

## Anachronistic EU policy

Since the mid-1990s EU policy towards Maghreb and Mashreq countries has been characterised by highly institutionalised initiatives (the Euro-Mediterranean Partnership, the European Neighbourhood Policy and the Union for the Mediterranean) with negligible linkage to policy in the rest of the Middle East. Such an over-structured Euro-Mediterranean framework limits EU actions to its immediate neighbourhood and excludes potentially inter-linked adjoining regions such as the Arabian Peninsula. Relations with the Gulf Cooperation Council (GCC) and its member states remain low key and strikingly disconnected from Mediterranean policy. But splitting up the Mediterranean and the rest of the Middle East for the EU's bureaucratic convenience belies the political and economic logic of the region. The EU should instead work towards a common overarching MENA strategy. EU cooperation agreements should not be exclusive to Mediterranean countries but rather extended to other non- Mediterranean Arab countries. A broader, looser framework could serve as an incubator for the emergence of cooperation clusters of variable geometries (bilateral, multilateral, regional, etc.) around shared issues.

Within the last decade the EU has come to recognise the importance of the Gulf and the shortcomings of its policy towards the region. Yet it has failed to do anything to address the issue. The 2004 report on an EU Strategic Partnership with the Mediterranean and the Middle East declared the EU's

intention to develop a policy towards the 'east of Jordan', coherent with its Mediterranean policy, but that initiative never prospered. In June 2010 the EU-GCC Joint Ministerial Council adopted the Joint Action Programme (JAP) in an effort to 'reinforce cooperation in a number of key strategic areas of mutual interest.' It focused on the development of relations in 14 specific areas. Several of the issues highlighted for cooperation overlap with the priorities identified by the revised Neighbourhood Policy adopted in May 2011. Most notably, 'economic, financial and monetary cooperation' could be deployed to support 'sustainable economic and social development' in the Mediterranean. The development of small and medium enterprises and trade cooperation are also objectives common to both documents. Likewise energy, transport, climate change, education and security are shared concerns. Most recently, the European Parliament has been especially vocal regarding the strategic importance of the Gulf region and the need for an EU policy towards the GCC. The Committee on Foreign Affairs of the European Parliament released a report in March 2011 acknowledging the importance of the GCC. It flagged the key roles its member states play in the global arena and pointed to the need for the EU to develop a strategy for the region aimed at strengthening its ties with the GCC, supporting the regional integration process, and encouraging bilateral relations with GCC member states. While a greater focus on a strategically important yet neglected geographical region is certainly welcome it still fails to address the 'de-linkage' between Middle East policies.

EU member states have also latched on to the centrality of the Gulf states. The region has increasingly become an arena for competition among, most notably, Germany, France, the UK and Spain. President Sarkozy has been a frequent visitor and Prime Ministers Cameron and Zapatero both travelled to the region this year in the pursuit of trade and investment opportunities. After years of being shunned by Europe the Gulf Sovereign Wealth Funds are now being actively courted. The large development plans funded by ample reserves from energy revenues are also an important field for competition among

Europeans. But given the weak presence and leverage of the EU in the Gulf region, such member state competition together with their reluctance to upload bilateral policies to the EU level only serves to further hamper the emergence of a coherent strategy.

**The bonds that tie**

The pan-Arab reach of the uprisings has caused fear in the Gulf regimes. Protests in the Gulf countries themselves, except in the cases of Bahrain and Yemen where there are long-held grievances, have been subdued and quickly addressed by a combination of carrots and sticks. Financial outlays, or payoffs as they have been deemed by some, have been lavish, most notably in Saudi Arabia were they have come close to $130 billion. In addition, security services have been at hand to pre-empt any potential 'day of rage' and to beat down protesters if necessary, as in the case of Bahrain. Political arrests have been common, most notably in the UAE and Saudi Arabia, media laws have been tightened and protests outlawed. The EU has looked the other way as these events have played out. While the EU's standard defence that it lacks any leverage to encourage political reform in these countries is true, in many instances it is simply turning a blind eye to human rights violations. The EU should realise that bringing the Gulf States into its partnerships and frameworks of cooperation with the Mediterranean offers an opportunity to indirectly help reform dynamics in these more reactionary cases.

Moreover, the Gulf states are significant players in the Mediterranean both economically and in terms of regional politics, rendering the European parcelling of the region incongruous. GCC countries have close political ties with the Arab countries in the Maghreb and Mashreq and they provide many of them with financial assistance. While the GCC states have clearly been bracing themselves against any revolutionary spirit spreading to their countries, they are above all pragmatists. So

while they will forcefully shut down protests that are too close to home, such as in the case of Bahrain, they have backed the rebels in Libya and, in the process, lent legitimacy to the European intervention. They have sought to bolster their position by inviting Jordan and Morocco to become members of their authoritarian club, yet were the first Arab states to strongly condemn the regime in Syria. Despite their initial distaste for the uprisings and their shock at witnessing how quickly the US dropped Mubarak, an erstwhile ally, Gulf states have since pledged substantial amounts in aid to Egypt and Tunisia.

Saudi Arabia and Qatar especially have increased their regional assertiveness and diplomatic profile in the past few years. Saudi Arabia is one of the most important regional actors, a member of the G20 and host to the secretariat of the Organisation of the Islamic Conference, and it plays an important role within the Islamic Umma. Qatar has stepped up the ante, using its economic power to enhance its international profile and in the process mediating or intervening in several regional crises – Sudan, Palestine, Somalia, Lebanon, Libya, Yemen. Oman has been reaching out to Mediterranean countries, bolstering its political relations through a number of sector-specific cooperation agreements in education, research and healthcare. Other states such as the UAE may focus more on external economic and aid policy than foreign policy per se. In general, however, many of the Gulf states' goals and foreign policy initiatives tend to be aligned with those of the EU, be it in Palestine, Lebanon, Iran, Iraq or Yemen. Furthermore, the EU and GCC have shared security concerns such as energy security, terrorism, militant Islam or the proliferation of WMDs, which should be addressed at the regional level. The increased self-confidence of these states should be leveraged by the EU. In a sense Europeans did just that as they garnered Gulf support to lend legitimacy to their intervention in Libya. Their penchant for conflict mediation, which follows from a preference for conservative and non-confrontational foreign policies, based on the principle of non-interference, could prove valuable in regional conflicts.

GCC countries' economic ties with the Mediterranean countries have also increased in the last decade. Europe and the Gulf now dominate foreign investment flows in the Mediterranean, accounting for two-thirds of the FDI inflows registered over 2003-2009. Gulf investments in the region grew considerably after the last oil boom. Over the last decade they have invested more than €110 billion in the rest of the MENA. The increase in investment has been led by the UAE and focused predominantly on the Mashreq. Average Gulf investments are much larger than European ones ($268 versus $70 million) and are concentrated in the transport, tourism, telecommunications and real estate sectors. The recent global financial crisis may have slowed down this dynamic but it has not changed its direction. While capital inflows from the Gulf hardly benefit the small- and medium-size enterprises (SMEs) which the EU is said to want to support, the large-scale projects do complement the EU's approach and contribute to the overall development and modernisation of the countries of the Mediterranean.

Trade between the Mediterranean and the Gulf has also grown over the last decade with Saudi Arabia, Qatar and the UAE witnessing the highest growth rates in terms of total trade volumes with the Mediterranean states. Although trade levels remain quite low – Gulf overall exports to the Middle East are below 10 per cent and imports slightly above – their total share of Maghreb and Mashreq intra-Arab exports is more than 60 per cent. GCC states have contributed strongly to the increase in intra-Arab trade through bilateral agreements and the coming into force of the Greater Arab Free Trade Area in January 2005, though the latter has not yet been fully implemented. The Gulf states have recently stepped up their economic diplomacy with the Mediterranean, concluding numerous agreements and working towards the elimination of trade barriers and deeper economic and financial cooperation. Such overtures could benefit from EU support given that regional trade integration is a standard EU priority.

## An enlarged energy and transport hub

Transport and energy considerations also call for an enlarged Mediterranean. Close to 80 per cent of world sea transport moves from Asia through the Mediterranean to the Atlantic coasts of Europe and North America. The Gulf and Mediterranean states should jointly address the evolving pattern of world transport and the Red Sea-Mediterranean Sea corridor's role.

The Gulf has huge oil reserves, with the six GCC countries containing about 40 per cent of all global reserves. Europe imports most of its oil from Russia, Central Asia and North Africa while Gulf oil is directed primarily towards Asia and North America. Nonetheless, the global nature of the oil market ensures that the EU will be reliant on GCC oil production and exports, if only for the proper functioning of the global oil market, and because the Gulf producers are marginal suppliers of world oil. In addition, the transitions in the Arab world have an impact on the geopolitical balance of energy with the Mediterranean playing an increasingly important role in global energy flows. Trade in crude oil and refined products between the GCC and the EU will continue to be of decisive importance to the volume and direction of oil flows to and through the Mediterranean, including oil flows beyond Europe (especially to North America). The EU has already expressed a desire to reduce dependence on tanker transport of oil across the Mediterranean, and instead encourage a greater use of pipelines.

Likewise the GCC holds huge proven natural gas reserves, around 23 per cent of the world's total. The EU's desire to diversify from an excessive dependence on Russia could be partially addressed by Gulf exporters of liquefied natural gas (LNG). Egypt and the Suez Canal will play a central role as a point of transit for Gulf LNG carriers to Europe. Prospective pipelines linking the Gulf to Europe could also strengthen their gas supply ties. These could be either direct or use

connections with the various existing and planned gas pipelines around the Mediterranean, such as the AGP and Nabucco. The EU Commission has already signalled its desire to encourage gas trade with new suppliers, including the Gulf countries, stating that the EU has a common interest in continuing and deepening the development of strategic relations with external suppliers and transit countries in order to mitigate both political and technical risks associated with future supplies and to ensure that multiple import pipelines exist to supply Europe.

Power generation, transmission and interconnection, including electricity generation, opens an additional door for cooperation. The Gulf States are exploring new means of power generation, including coal and nuclear energy, which will allow them to assign their oil for export and their natural gas for petrochemical feedstock use. Aside from the opportunities for European investment, power interconnections are envisaged beyond the Gulf, with other MENA countries, and could lead to the establishment of a continuum of interconnection from the Gulf to Europe through the Mediterranean electricity ring.

Collaboration could also be envisaged in desertification and desalination, two areas where the Mediterranean and GCC countries share similar concerns, and in terms of renewable energy sources, especially solar and wind energy. The prospects for technological, industrial and policy cooperation with the EU in this field are considerable. GCC producers could also collaborate with the EU to develop Carbon Capture and Storage-related actions.

## Conclusion

While Europe focuses all its attention on its immediate neighbourhood, the Gulf is broadening its foreign and security perspectives and looking increasingly towards Asia. This does not however diminish the shared development potential of the Mediterranean and the overlapping

security and energy considerations. Calls for a triangular relationship that combines European know-how and technology with the human and natural resources of the Mediterranean countries and the energy and financial resources of the GCC states are widespread. But limiting the role of the Gulf to that of financial backer misses the point. Strategic cooperation between the EU and the Gulf has a much wider potential. The EU has been stuck in a restricted and ideological Mediterranean policy which short-changes both the Mediterranean and Gulf states. While the Mediterranean states could benefit from greater cooperation between the EU and the Gulf, Gulf states should not be marginalised and treated as the exception either. Greater engagement with the Gulf would counter rather than encourage the closing of ranks in the Gulf states in terms of political reform. Acknowledging the importance of the Gulf by opening up partnerships to the Gulf states could even eventually prove an entry point for European support of civil society in these countries.

The recent upheavals and the process of revising strategies towards the region open up the possibility of addressing policy shortcomings, although so far revised policies seem to be more of the same under a different label. Specific areas for cooperation range from the economic, where the Gulf can back up the growing European focus on investment and entrepreneurship in the Mediterranean, to the political, where the pragmatic nature of the authoritarian Gulf states has seen them support some of the reform movements. But cooperation can flow both ways. The long-term diversification efforts of the Gulf states will require massive spending on infrastructure, technological transfer, management and marketing innovations, education overhauls, human resources and economic deregulation, offering opportunities for both Europe and the Mediterranean. This is why the EU should abandon its hub-and-spoke Euro-Med paradigm and work towards broader regional integration which would see cooperation clusters form around diverse issues of common concern.

# 4. The multiple challenges of Libya's reconstruction

*Barah Mikaïl*

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The prospects for Libya's reconstruction remain uncertain. Following the death of Moammar Gaddafi in October 2011, Libya's ruling National Transitional Council (NTC) quickly formed a government and announced an electoral calendar. However, the tasks ahead are huge.

The international community should now direct its effort towards improving economic governance; assisting in the complex management of Libya's tribal and ethnic divisions; and the development of more democratic security structures.

Unlike most of its North African neighbours, Libya has the advantage of possessing sufficient resources to build a bright future. However, the guidelines for a fundamental economic reform, key for the country's future, must still be defined. In addition to the economic challenges, the political situation in Libya is complicated enough to jeopardise the country's reconstruction. Unlike the ethnically comparatively homogenous Tunisia, Libyan society is a complex web of tribes, clans and ethnicities. The potential for tensions and divergences created by this social mix constitutes an additional challenge to the construction of a peaceful, democratic and unified Libya.

Despite the complexity of Libya's economic, political and social challenges, the NTC, supported by a determined international community, can face them successfully if no further time is wasted.

## (Re-)constructing Libya's economy

In many respects, Libya's economy requires reform to start from scratch. Gaddafi's regime was able to rely on oil as its main source of income, but the oil sector is not labour-intensive and is poorly linked to the broader economy. In order to foster growth and create jobs, new ways of generating revenue must now be devised. The transition towards a modern and efficient economy will require Libya's oil revenues to be invested in long-term projects and infrastructure. In order to do this, however, the first step must be the adoption of a comprehensive roadmap for economic reform.

While Libya's energy infrastructure requires improvement, it nevertheless already performs well and guarantees substantial revenue. Relying on this alone and becoming a rentier state, however, would be a fatal mistake. The Libyan population has contributed its part to bringing about a radical political change in 2011. Now it is waiting for concrete initiatives and projects by the government to indicate a positive path towards the future. The absence of any industrial activity, the limited number of private businesses, the high rates of unemployment and the lack of employment opportunities all threaten the country's cohesion and stability.

Although Libya's exact economic situation is presently unknown, a number of targeted steps could certainly help the country to move economically forward. Libya has a very young workforce, and with half the population aged under 15, this feature will become more notable. Much can still be done to increase the share of qualified workers and the general level of education, and orientate young

Libyans towards fields that correspond to the country's needs. For example, the introduction of marketing classes, a focus on business administration and law and the reorientation of political science towards international relations and theories of management, are issues that are likely to improve Libya's prospects for growth and employment. The sooner the education system in Libya is reformed, the sooner it will be able to shape its citizens and produce new leaders.

The science and technology sector equally requires an overhaul. The Libyan population is currently under-informed and ill-prepared in the key areas of industry and technology, a situation which must change radically if the country is to move forward. The energy sector, communication and transport are areas in which a change of paradigm is most urgent. Supported and trained by their international partners, education authorities would have to launch nation-wide training sessions and programmes International cooperation in the education and training sector will be key to Libya's short-term success.

Success or failure regarding Libya's most urgent challenges will be greatly influenced by the issuing of a Law on Economic Governance. Most obviously, regulation in the energy sector will be key in view of the country's potential in this area (more than 40 billion barrels of proven oil reserves, and 1548 billion m3 of natural gas). A useful inspiration in this regard could be Ghana's Extractive Industry Transparency Initiative, which allowed Ghana better to utilise its national resources and potential by attracting foreign investment, encouraging transparency and setting concrete objectives. But while the new Libyan legislature is still awaiting consolidation via the June 2012 elections, the temporary character of both the NTC and the newly appointed government hampers the efficiency of their decision-making. The current government therefore has very limited scope of action, and many of its moves remain opaque.

The international community's response to Libya's financial needs has been swift, although not necessarily sufficient. Funds have quickly been made available. Prior to Gaddafi's death, the Paris conference on Libya unfroze $15 billion of Libyan assets. In late December 2011, the EU decided to unfreeze funds and assets belonging to the Central Bank of Libya and the Libyan Arab Foreign Bank. This additional $97 billion, combined with a similar unfreezing of $37 billion of assets by the United States, took Libya closer to obtaining the total of $160 billion that was held by its foreign partners. In parallel, the commitment of several international partners to assist Libya with targeted technical cooperation (training, sending of advisers, quick improvement of the country's infrastructure) set a positive tone for the country's future. For example, the European Commission has put together an assistance package of €10 million to support education, administration and civil society. But much more must be done.

The conditions for success still rely on the NTC's ability to adopt an official economic roadmap that goes beyond energy perspectives. It must create employment opportunities, undertake urgent and significant education reforms, and involve international and regional partners more significantly. To a large extent, however, Libya's economic perspectives are also determined by the country's political situation.

## Political stumbling blocks

It took a long time for the NTC to appoint the members of the Libyan national government. Despite the drawn out consideration this decision was given, the new cabinet attracted substantial criticism from the outset. Initial criticism was directed to the presumed lack of representativeness of the government, as certain groups (some southern Libyans, some from the north-eastern town of Ajdabiya and some tribal representatives, from al-Magharba, al-Ourfi and al-Awaqir, one of the biggest tribes in the East) complained that they were not represented

in the new executive. By a similar token, the Amazigh community did not agree with the composition of the new government and withdrew its representatives from the NTC. In response, the NTC has attempted to reassure the Amazighs, as well as the Tebou and Touaregs, regarding the protection of their interests, and called upon them to see the coming legislative elections as an opportunity to seek representation in Libya's new institutions. The former proximity of some members of the newly appointed government to Gaddafi has also generated criticism. Detractors argued that a new start for Libya could not be achieved while individuals linked to the former regime held important official positions.

Given Libya's cultural and ethnic diversity, it will not be possible for the government adequately to represent all groups within the country. A more important question, however, is whether Libya's complex sociology will jeopardise its future. Everybody seems to agree that Libya should build up institutions, including a parliament, a government and ministries, to move the country towards democratic efficiency. Nevertheless, the sudden shift from a non-governmental campaign to a more structured one has certain pitfalls. While most efforts in 2011 focused on how to get rid of Gaddafi, little was done to prepare for the post-Gaddafi era. As a result, the NTC's nominal commitment to pave the way for building a new Libya that would satisfy everybody's needs convinced only Western partners, but not Libyans themselves. Regional interests, the importance of tribes and clans (as well as ideological perspectives from Islamists to secularists) will shape the future course of the country. Only well-organised legislative elections with legitimate results will be able to pave the way for the beginning of a new era of peace and prosperity.

The Libyan authorities are well aware of the persistent security challenges after the official end of the conflict. In early 2012, the chairman of the NTC, Mustafa Abdeljalil, recognised that if the country did not succeed in containing the current violence and disarming militias, the result could be both 'secession and civil war'. Therefore, the NTC has

proposed to reward armed groups and individuals with financial and professional incentives in return for turning in their arms. This offer has so far produced no significant disarmament, however. At the same time, little progress has been made in the constitution of a national army – one of the governments's declared priorities. The building of a strong national army is conceived as a long term plan, over three to five years. All that is expected at this stage is the training of 25,000 soldiers. But the government is pressing former rebels to disarm and become part of the national security forces. Yet this seems unlikely given that the rebels are dispersed around the country and show no sign of willingness to adhere to these demands.

The international community remains timid in its approach to Libya. Many of Libya's partners fear the country might fall into general chaos, but none of them have offered solutions that could be of real help to Libyans. While the UN has established a Support Mission (the UNSMIL), European countries have yet formally to commit, and the US exhibits a narrow focus on security aspects – namely, the difficulty of disarming militias and the al-Qaeda risk. Meanwhile, at the regional level (apart from the controversial visit of Tunisian president Marzouki to Libya, during which he talked of the need for the two countries to 'merge'), no significant advances have been realised. Libya needs to move beyond the Gaddafi era and start tackling its considerable problems. The international community could prove itself useful during the next phase in Libya's history. While disarming militias should be a Libyan responsibility, foreign assistance would be highly beneficial in the tasks of forming a strong national army, organising the coming legislative elections, issuing an electoral law, training Libyans in electoral monitoring and improving the government's communication and overall efficiency. Instead, at the moment the international community appears to be waiting for the security situation to be solved by the Libyan government alone. This would be counterproductive as it is likely to aggravate the situation. The NTC has wasted enough time issuing statements without implementing any decisions: it must now move forward.

## Pooling international support

Libya's solutions to its main challenges lie in pooling efforts and channelling them towards concrete objectives. The international community has a very important role to play. While the Libyan authorities reject direct foreign interference in their affairs, the NTC and the Libyan government are open to suggestions that would help them achieve the smoothest possible transition. Libya's challenges are both economic and political. However, there are other issues that must also be taken into account, namely in the area of security, and it is in this area that foreign partners could play an important role.

Since the fall of Gaddafi, much has been reported about Islamist terrorist groups, in particular al-Qaeda, taking root in Libya. This is a serious concern, as neighbouring Algeria and the Sahel region have been struggling with the same problem. It is therefore important for regional actors to include Libya in their anti-terrorism policies. Algeria is heading a regional anti-terrorist programme involving Mali, Niger and Mauritania, and should invite Libya to join. On the other hand, Western states, in particular the United States, could do much to enhance Libya's anti-terrorist capacities and help it control those areas that are particularly under risk. But regional cooperation cannot be disconnected from Libya's own need to develop a national counter-terrorism strategy, which must be based on offers of dialogue with extremists and, if this should fail, coercive means.

A second set of security issues in which the help of the international community could be key lies in the area of migration. While Gaddafi used migration as a political tool, his fall did not stop floods of African migrants from using Libyan shores to try to reach the EU. But Libya's necessary focus on internal security issues led it to neglect anti-migration policies. The influx is most likely to stop by itself whenever prospective migrants find better perspectives for

a dignified life in their own countries. Meanwhile, however, the EU could help by improving its complex migration policies via a better control of the Mediterranean Sea and an improved coordination of efforts and consultations with the Libyan government.

The 'Arab Spring' has created a deeply insecure regional situation due to the insufficiency or even lack of controls at the borders of countries undergoing transition (Libya and Tunisia, and their borders with Egypt). Radical elements have been able to spread in the region, as proven at the Syrian borders where some Libyan fighters have joined anti-Assad opponents. A stronger involvement of Libya's international partners to help strengthen border controls would considerably reduce regional threats. Furthermore, the temporary posting of policemen from other Arab countries to Libya would probably prove more efficient than current efforts, as their Arabic skills would allow them to inquire more efficiently about the real motives of those who try to cross the borders.

Last but not least, there is now an opportunity to integrate Libya into a broader North African framework. The Arab Maghreb Union (AMU) failed to achieve its objectives of regional integration. The 'Arab Spring', however, seems to have taught Algeria and Morocco the importance of promoting better means of regional cooperation. The international community, first and foremost the members of the Arab League, should therefore make every possible effort to turn the AMU into a reality. Economic (trade, roads and common infrastructure, desalination, solar energy etc) and political regional priorities (such as anti-terrorism strategies) should be the raison d'être for this project. A functioning AMU would also allow social regional development prospects to improve considerably through a general improvement in the average revenue and way of life, while the North African region would find an efficient way to strengthen and stabilise itself, becoming a reliable partner for both Arab regional and international counterparts.

## Conclusion

The international community may have helped Libyans overthrow the Gaddafi regime, but it cannot now rest on its laurels. Libya's foreign partners all have an interest in ensuring the country achieves stability as quickly and efficiently as possible.

Indeed, Libya is an oil-rich state, but also has other considerable advantages. The industrialisation of the country, the reform of its public sector, the creation of business opportunities and the training of both the youth and the rest of the population are tasks important enough to deserve the attention and commitment of the international community.

Therefore, respecting the need not to interfere in domestic Libyan affairs should not stop the international community from putting pressure on the Libyan government. At the same time, it should provide Libya with technological expertise, training for the security forces, political elite and workforce and an injection of financial and intellectual resources into priority areas (health, education, the media and technology). Libya's foreign partners should also facilitate the government's design of a clear and systematic political agenda which should encompass representation, stability (including institutional stability) and a special focus on fulfilling Libya's economic potential.

On their side, Libyans should also turn to their Arab, African, Asian and Russian partners to develop commercial partnerships. The Libyan example could then not only serve as a potential success story for the rest of the region, but also prove that the diversity among the Libyan population, their different ideological and socio-political orientations and their tribal and racial diversity, need not stand in the way of the successful construction of a new democratic state.

# 5. Is Iran immune from the Arab Spring?

*Nazanine Metghalchi*

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Iran has so far remained relatively unaffected by the winds of change that have swept through the Middle East and North Africa. Yet this was not a foregone conclusion. Given the opposition's ability to build on a recent wave of mobilisation to revive the calls for protests triggered in 2009, why has it not taken advantage of the regional domino effect?

The Green Movement, too often over-emphasised by outsiders as a panacea for Iran's democratic future, failed to draw its lessons from the crushed 2009 protests. Today it remains too divided and ambiguous to constitute the key driver of change from within. Instead, Iran's potential for democratic change may largely depend on ongoing regional developments. In particular, the fall of the Assad regime in Syria would weaken the Iranian regime by isolating it regionally and fostering further splits within its leadership, thereby enhancing the prospects of political change.

## A recipe for revolt

Reasons abound for popular protests in Iran. During its three decades of rule, the theocratic Iranian regime has become notorious as the world's number two executioner after China. The Mullah regime's iron fist makes it top the list of Middle Eastern governments likely to be overthrown by the rage of its sorely afflicted citizens. Moreover, several conditions commonly claimed to precipitate democratic breakthroughs are present in Iran. These include the level of internet activism, corruption and economic malaise. In all three areas, Iran's situation makes it more likely to trigger public unrest than either Egypt's or Tunisia's, according to the indexes released respectively by Transparency International, Freedom House and the World Bank.

Iran's 2009 Green Revolution marked the onset of citizen journalism and cyber activism. Otherwise known as the 'Twitter Revolution', this paved the way for the political efficacy of mobile social media that characterised Egypt's 2011 revolution. Iran is home to the biggest and most vibrant blogosphere (an estimated 60,000 blogs) in a country where the state's cyber army wages a war against what it considers a threat to the regime's stability by means of institutionalised repression, monitoring, filtering, censorship and arrests. In April 2011 Freedom House ranked Iran last in terms of internet freedom.

Iran's structural economic malaise could add additional fuel to the revolutionary fire. Although access to reliable statistical data on the Iranian economy from Iran's authorities is very limited, a sense of disempowerment and frustration over the lack of economic opportunities is prevalent among the population. Notwithstanding record income generated by oil as Iran's main source of revenue, the rate of inflation in the country is around 25 per cent and job creation is minimal, with unemployment estimated at around 15 per cent. International sanctions have raised the cost, time and inconvenience of all international transactions, thereby enhancing the risk of stagflation.

Anger over the widespread corruption of the ruling elite might also be expected to trigger popular revolt. In spite of claiming the moral superiority of piety since the 1979 Revolution, the Iranian government's upper echelon is highly corrupted. Notable instances include the disappearance of $1bn from the Treasury as highlighted by a report from the National Audit office in 2009; or the 2010 implication of Vice President Rahimi in a fraud case involving up to $1.1bn. A wave of privatisations launched by President Ahmadinejad in order to tackle the state's economic woes further reinforced the lack of transparency, and greatly benefited the Revolutionary Guards, who were awarded a majority stake in the state telecommunications company.

Despite all this, the Iranian authoritarian regime remains firmly in place. This apparent paradox points to the variety and complexity of factors that determine the unfolding of revolutionary potential in each individual country. For the moment, it seems that Iran is unlikely to experience any abrupt political change. While many features increase its vulnerability to pro-democracy unrest, a number of deeper structural factors have contributed to the country's relative immunity to the 2011 Arab Spring fever.

Firstly, the opposition's internal divisions have hampered its effectiveness. Arguably, even with its leaders kept under house arrest, the Green Movement is far from inactive. The Movement's leadership, however, does not seem to have learnt any lessons from the mistakes made in 2009. Although external analysts acknowledge that the Green Movement is somewhat incoherent in its goals and lacks a consistent strategy, many still overrate it as the main driver of change. Two years after the 2009 fraudulent presidential elections that triggered mass protests on Tehran's streets, renewed mobilisation in February 2011 showed that the Movement's internal disagreements over both goals and strategy remain unresolved. After a 14-month long period of silence, some protestors came to show solidarity to their neighbours

whilst others were shouting slogans against the Supreme Leader. As long as the Green Movement asks for 'demonstration permits', or urges demonstrators to go home instead of advising them to remain in the streets, no democratic Persian revolution is on the horizon.

Secondly, the strong backing from the army contributes to the strength of Iran's authoritarian regime. The Egyptian army has traditionally been perceived as the guardian of civilians rather than the right arm of the Executive, and eventually sided with protesters to topple Mubarak. In contrast, the Iranian Revolutionary Guard Corps (IRGC) stood firmly behind Supreme Leader Khamenei in the 2009 post-election protests and spearheaded the massacres. Since then, in an unprecedented reinforcement of the regime's security apparatus, the Republic has gradually transformed into a military dictatorship.

Thirdly, the country's oil wealth seems to work against the country's chances for democratic governance, as in several other Middle Eastern countries. Iran's oil revenues approached $100 billion in 2011 according to the IMF, representing a 25 per cent annual rise. Soaring oil prices, which have kept most authoritarian oil rentier states firmly in place, are not likely to drop anytime soon. Nevertheless, other rentier regimes such as Libya and Algeria have been shaken by popular protests. In Libya, popular discontent reached a turning point when oil revenues no longer sufficed to veil disastrous structural economic shortcomings which failed to provide citizens with employment, food and basic services. A similar scenario could potentially unfold in Iran.

Notwithstanding these unfavourable conditions, a number of more recent developments could substantially weaken the regime in the mid-term. These factors include, most notably, the increasing divide between different factions of the Iranian leadership, and regional developments spurred on by the Arab Spring.

## Factors of Change

Iran's theocratic order is facing increasing delegitimisation. Divisions within the regime are currently more likely to trigger systemic change than the kind of popular uprising witnessed in the Arab Spring. More recently, a split has been escalating between the traditional conservatives under Supreme Leader Khamenei, and the so-called 'deviant current', a term used by the director of the Revolutionary Guards to describe Ahmadinejad's and his inner circle's emphasis on the cultural-national components of Iran's identity, rather than its Islamic values.

The novelty of the current controversies lies in the unprecedented level to which they are being publicised in mosques and the media. Tensions reached their peak when the Khamenei recently reversed President Ahmadinejad's decision to dismiss Intelligence Minister Moslehi, resulting in a stand-off between the President and the traditional camp. The latter cannot afford to embarrass itself by removing Ahmadinejad from office and will consequently have to entrust the Revolutionary Guards to set very strict conditions for the parliamentary elections held in March 2012. Ahmadinejad's followers have little electoral chances as they lack support both amongst the reformist-minded public and the religious traditionalists. Yielding power over the most repressive organs of the establishment, the Supreme Leader is most likely to gain the upper hand. However, Ahmadinejad has proven to be a master of manipulation and political survival. He is now widely considered to represent the new opposition given his appeal to the broad public through populist measures, as well as to the most secular-minded voters via his nationalist narrative.

Such deep cracks in the unity of the Iranian leadership may be reinforced by ongoing changes in the regional balance of power. Three years ago, polling data revealed that Arab citizens considered President Ahmadinejad one of the most popular leaders in the world. Today, Syrian protestors shout 'Down with Iran!', and Bahrain's Shiites ask Iran not to meddle in their affairs. This plunging loss of support, as

echoed in a recent study by the Arab American Institute Foundation, may well turn into a problem for Ahmadinejad's government.

Even more importantly, the advance of pro-democracy unrest has challenged Iran's capacity to exert influence in its turbulent neighbourhood. While the distraction caused by the Libyan crisis has halted the nuclear diplomatic agenda, the turmoil has weakened Iran's position vis-à-vis key regional players Syria, Egypt and Turkey.

Iran's biggest concern is about losing influence in Syria, its most important ally since the Iraq-Iran War, with whom it shares a comprehensive defence pact. A stable alliance with Syria is key to Iran's continuing ability to exercise pressure on Israel and the West. A possible overthrow of Assad's regime and Iran's consequent loss of its most faithful client could trigger the demise of Hezbollah, and greater isolation for Iran. Tehran's fear that Damascus might adopt regional policies more in line with its Arab brethren and become a Saudi client led it to provide direct assistance to the crackdown against protesters in Syria.

Although Egypt allowed two Iranian warships passage on the Suez Canal, there is nothing to suggest that Egypt will make any advances in formal state-to-state relations. Egypt is likely to develop its relations with the Hamas government in Gaza. This could foster increased competition for the role of patron of the Palestinian cause and work against Iran's desire to project its power.

Mounting anxiety about the outcome of the Syrian conflict is having an adverse effect on Iran's relationship with Turkey as well. The Revolutionary Guards warned their neighbour about their policy towards Damascus, as Turkey has hosted Syrian opposition gatherings and weapon transfers. Turkey also appears to be seeking to secure an alliance with post-Mubarak Egypt to provide a counterweight to the Iranian influence. Increasingly fierce competition over regional clout is testing Turkish-Iranian ties.

An Iranian regime pushed ever further into regional isolation would end up weakened both internationally and domestically. Significant shifts in the regional power balance might also alter the international community's positions towards Iran, possibly leading to a more active and less ambiguous support to domestic forces of change.

## Conclusion

The Iranian regime's apparent stability has deep cracks under the surface. A Tahrir-style bottom-up popular revolution as seen in several Arab countries this year is not currently a likely option for Iran. What will happen to the regime's stability will not initially be determined on the streets. The Green Movement currently lacks the means and clout to mobilise the masses to the degree needed to shake the fundamentals of the regime. It would therefore be a mistake for the international community to focus its assistance entirely on this Movement.

The Iranian regime's fate is more likely to be determined by current regional power shifts. In particular, the fate of the Assad regime in Syria will be decisive for Iran's standing in the region. The development of relations between Syria and key players Egypt and Turkey, among others, may further contribute to the possible isolation of Iran. This would also weaken the regime domestically and provide opportunities for pro-democracy forces.

Iran's prospects of change will also depend on the extent to which the EU and other international players push for the downfall of the Syrian regime. Frustrated with the lack of meaningful breakthrough on the issue of nuclear power, the EU seems to have chosen a cautious strategy of non-intervention. Sensitivities over Iran are seen as a key driver of the EU's inaction towards the Syrian bloodshed.

Iran's stability is at risk due to its lack of soft power. The regime's fall might come about as a by-product of its increasing incapacity to adapt to the new regional power panorama. If Iran does not engage in a more active diplomacy, playing a constructive role with the aim of solving regional crises with moderate solutions, the Arab Spring might ultimately weaken the regime's regional position to such a degree as to provoke its downfall.

# 6. Algeria's deceptive quiet

*Barah Mikaïl*

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Parliamentary elections in Algeria are due for 10 May. While these are not nearly as important as presidential elections from the population's point of view, the question looms of whether they will open the way for political change. Doubts surround the ailing president Abdelaziz Bouteflika's ability to finish his mandate. When the Arab Spring arrived in early 2011, Algeria seemed ripe to follow Tunisia's path to transition. Despite the country's oil-derived wealth, corruption and abject income inequality had impoverished citizens living under this military-backed regime. Frustration reigned. A lack of hope was increasingly palpable among young Algerians. And yet Algeria has remained relatively calm. Popular demonstrations have not hit boiling point. The prospect of regime change has dissipated.

Algeria is a key piece in North Africa's geopolitical puzzle. Its shared border with Libya, major reserves of oil and gas, regional counter-terrorism strategy and steely refusal to fall in with the regional strategies of foreign powers all afford it a unique status.

Understanding why the Arab Spring has so far passed Algeria by is of considerable geostrategic import. There are several reasons for the apparent 'Algerian silence': historical antecedents that feed the opposition's current organisational muddle; the government's populism; and shortcomings in European strategies.

## Algeria's paradox

History looms large in Algeria's current soul-searching. The 132 year French occupation (1830 -1962) and the people's subsequent fight for independence today evoke great national pride. Yet periods of calm have been the exception to the rule. Bad governance and inefficient distribution of oil-generated wealth became entrenched. Political life operated beneath the banner of the single-party rule of the National Liberation Front. With growing resentment towards the regime, violent riots broke out in October 1988. These marked a new chapter in Algerian politics. President Chadli Benjedid passed a new constitution based on a transition towards a multi-party system. But in 1991, following the country's first fair legislative elections, incipient reforms were reversed due to the victory of the Islamic Salvation Front. A decade of violence ensued. The Islamist threat permitted the resurgence of the military, supported by the West. While outbreaks of violence were commonplace through the 1990s, the army has reasserted its grip since.

The year 2011 could have brought substantial changes. One of the most significant events took place on 5 January. That day, riots took place in Oran and Algiers that were brutally quashed by security forces. Once again, the government played deaf to demands for better socio-economic conditions and an improvement in living standards. However in the wake of the Tunisian revolt, the Algerian state apparatus understood the perils of not reacting at all. A dose of pragmatism was vital to mitigate the winds of change that threatened

to sweep away the region's authoritarian regimes. Hence the regime changed behaviour. An insider to president Bouteflika explains: the strategy was to present Algeria as an incrementally 'developing democracy'. On 15 April 2011, President Bouteflika gave a televised speech in which he announced that important political reforms would be introduced in the near future.

At the same time, a certain ambivalence coloured Algerian responses to the actions of citizens elsewhere in the region. Demonstrations in Algeria never reached the intensity of those in Tunisia, Egypt or Libya. Opposition leaders have failed to counteract the regime's containment tactics. The fundamental lack of political organisation in the Algerian population is the most pertinent factor. Asked why protests have failed, opposition figures in Algiers all refer to the absence of organisational structures, especially among the youth. They also accuse national media and ostensibly opposition parties in parliament of helping the regime. As one journalist put it: the regime is 'playing on society's divisions to strengthen its position; it just distributes money to various socio-economic categories of the population in order to buy social peace.'

Indeed, the chaotic political organisation of Algerian society stands as an astonishing paradox. Algerians are well known for having a critical point of view on their institutions; this much is gleaned simply by being on the streets in Algiers. And trade unions have begun to press harder for social demands. Nevertheless, while there are 90,000 registered associations, only 1000 of these are really active. A serious disconnect has emerged between trade unions and the population. Algeria is a young country; half of its population is under the age of 25. But youth's limited presence in trade unions dominated by elder stalwarts that cling to archaic means of organization will have longterm ramifications. Collective action does have a role, and Algerians' desire for radical change burns on. But fledgling coordination and regime divide-and-rule tactics too easily

stifle its potential. This is all too easily compounded by apologists hiding behind the president's political weakness as justification for the stunted reform; a pretext strikingly present even among more reformist voices in the capital.

Amid weak opposition, the regime's ability to play on Algerian patriotism has gained it support. The scars of its painful experience with France are still on show – something that cements its postcolonial national identity. Contrary to its neighbouring countries, Algeria has developed a foreign policy that promotes non-alignment in nationalist as well as pan-Arab decisions. In recent years, president Bouteflika has routinely demanded that France apologise for its former conduct. Policies are dominated by the development of military under standings and alliances with non-American partners such as Russia and China; the regime's 'euro-scepticism'; its relations with the Polisario Front in Western Sahara; its denunciation of Israel's policies towards the Palestinians; and its push for pan-Arab unity and assertiveness. Despite the country's numerous problems, Algerians feel their honour has been recovered. This 'Algeria-centred' interpretation of trends must not be underestimated. NATO's role in ousting Libya's Moammar Gaddafi led to a backlash against foreign interference in Algeria. The government thus has decided to react to the Arab Spring, but in its own way.

## Limited Reforms

Having announced reforms in mid-April 2011 the government clarified some months later. Its parliament in turn adopted reforms later in December 2011. Taken as a whole, Algeria's current reforms are notable but cover a limited number of areas. The government currently focuses on three main decisions: a reform of the media sector that should put an end to the government's monopoly on broadcast media; a reform of civic associations to revive their activity; and a

law on political parties that should prompt the emergence of new political movements. But critics state that this is far from sufficient. They insist that authority for the regulation of broadcast media should be totally independent, which is not contemplated by the regime. The government also plans submitting religious associations to a 'special regime'. And measures are afoot for forbidding any partnership between Algerian associations and foreign NGOs. These are clear signs of regression. Interestingly, secular opposition figures are reluctant to support the lifting of restrictions on Islamist organisations' political activity.

The regime's proposals are far from sufficient; and even the limited steps that are contemplated will face opposition in the parliament. The National Liberation Front and the Democratic National Rally have insisted on amendments to protect their own positions. The reforms to date are timid and inchoate. Algeria is wealthy but still needs to improve on a plethora of issues, such as fighting unemployment, encouraging foreign direct investment, promoting industrial policy, increasing revenues and combating corruption. The army's strident interference in civilian affairs is no secret but the government's reluctance to address this ignores a vital opportunity to inspire confidence in the people. The gap that opposes conservatives to reformists is also reflected within the state apparatus. Therefore, instead of profiting from regional instability to strengthen its position, the government's proposals for reforms have simply highlighted its limited room for manoeuvre.

Tellingly, few interlocutors in Algeria seriously expect that the regime's internal tensions and contradictions will bring top-down change. The army remains a strong actor that operates under civilian auspices. Bouteflika is still the army's preferred leader; it was the army that allowed him to benefit from a 2008 constitutional amendment to open the way for a third presidential term. His popularity may be declining, but a lot of Algerians see in him a 'saviour' who turned the

violent page of the 1990s. Yet with discredited institutions and a lack of tangible social reform, few are optimistic about May's election.

## A new openness to the West?

Curiously, despite the regime's nationalist tendencies, it has recently shown a more positive attitude to Western governments. People posted to Algiers date a relative improvement in EU-Algerian relations from the visit of the European Commissioner for Enlargement, Štefan Füle in May 2011. From the regime there have been demands for significant presence and action in the country, discrete but effective calls for greater foreign investment and the removal of red tape for business linkages. A significant development can be found in the nature of France's relations with Algeria. The visit to Algeria by Jean-Pierre Raffarin, France's special envoy for the promotion of economic cooperation, represented an important step forward. In February 2012, the launch of common Franco-Algerian projects in the pharmaceutical and petrochemical industries was announced. As Mohamed Benmeradi, the Algerian minister of Industry, put it, 'Algeria wants its commercial and economic relations with partners such as France to be based not solely on imports and exports anymore but also on productive investment on its soil'. Businessmen also say they are pushing the regime hard for similar cooperation with countries like Spain and Germany.

Algeria's search for more commercial partners is clear. The country was never entirely confined to autarchic self-sufficiency, but the government has now understood how important it is to promote commercial and industrial projects with a wide range of foreign partners to preserve its international position. Algeria's economic development remains far from reaching its real potential. Corruption and the army's monopoly of the main economic sectors feed social unrest. The state apparatus still has to understand how important it is to satisfy the population's socioeconomic needs if it wishes to avoid

the plight of neighbouring regimes. Algeria will not open to foreign partners unconditionally, but there increasingly exists opportunity for foreign actors to lead the government toward more openness.

Frank and direct demands for more reforms and respect for human rights could be counter-productive, however. The ruling class remains conservative and nationalistic. Even 'friendly advice' on these matters would be suspected as direct interference. That said, there is enough room to allow Algeria's main economic partners to express their interest in deeper political reforms. Europeans could make the difference, if this moment is grasped when long-stagnant relations between the EU and Algeria might be unblocked. The EU is still Algeria's main economic partner; about 50 per cent of the country's trade depends on the Union. The EU-Algerian association agreement came into force in 2005, but is yet to realise its potential. This prompted Algeria's minister of foreign affairs Murad Medelci to express his concerns on the matter in June 2010. The imbalance between the two actors, combined with EU's focus on hydrocarbon and antiterrorism issues, led Medelci to express Algeria's desire to amend some of the association agreement's terms. Relations seem to have improved now. In December 2011, following his meeting in Brussels with Algeria's deputy foreign minister Abdelkader Messahel, Štefan Füle announced that Algeria was finally ready to start exploratory negotiations for a European Neighbourhood Action Plan. This does not mean that EU-Algerian relations will enjoy an instant boost - Algerians will take their time to negotiate. But a flexible approach to Algeria's demands and needs could at this stage lead to better cooperation, and stronger prospects for European influence on political events in Algeria.

## Conclusion

The 'Algerian silence' only exists in name. Having seen its democratic process derailed in the violent interlude of 1990s, Algeria finds itself at an era-defining juncture. Weak civic organisations and anti-

Western reservations have reduced the prospects for democratisation. Pandering to international (NATO intervention), regional (Libya, Israel- Palestine) and national issues (Islam, terrorism) to quell dissent helps preserve the status quo. However there is now some space to see Algeria evolve and open at its own pace. May's elections will not bring a sea change in perspectives - the scepticism of the population is deep. Nevertheless, a possible change in leader, overtures to the West and a harnessing of economic potential are all good auguries for a better future. The EU should be cautious but not waste this opportunity.

# 7. Assad's fall: how likely, how desirable?

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Violence in Syria has entered its second year. The international community agrees that the country needs to put the Bashar al-Assad era behind it, but few actors could enable a peaceful transition. Syrians have paid a high price for struggling against the regime. Up to 10,000 people have been killed. The international community is facing a dilemma. The cost of not intervening in Syria is high, but the cost of external interference in the conflict could be even higher. A year ago, NATO allies decided to intervene in Libya because of a violent clampdown on opposition by Colonel Gaddafi that had at the time not yet reached the scale of the situation in Syria today. But unlike in Libya, the potential consequences of supporting Assad's opponents seem more complicated. The risk of a civil war in the aftermath of toppling the Syrian regime is very tangible. And getting rid of Assad could entail a major shift in the regional geopolitical equation.

A lot has been said about the Assad regime's capacity for survival, and many have either urged the international community to put an end to the violence, or stressed the dangers of engaging militarily in

Syria. However, a more balanced look at the pros and cons of Assad's continued rule is needed. Currently, all eyes are set on Kofi Annan's plan for Syria. The Annan plan so far failed to meaningfully advance a solution of the Syrian crisis, but it allowed the Syrian regime to restore some of its international legitimacy. A fall of Assad's regime would supposedly entail great risks for regional security. Assad, it seems, has succeeded in presenting himself to the international community as the only alternative to such risk. But how great is this risk really, what are the underlying dynamics, what are the scenarios for change?

## Assad's fall as a moral imperative

Bashar al-Assad's firm grip on power is a paradox. Former leaders Zine El Abidine Ben Ali, Hosni Mubarak and Muammar Gaddafi had taken less extreme action than Assad when they fell. Yemen's Ali Abdallah Saleh and Bahrain's Hamad Ben Issa al-Khalifa have also been responsible for deaths, but none on a scale comparable to Syria. Syria's current situation is unsustainable. Moral and practical considerations urge the Syrian government to exit the vicious cycle of violence and engage with the opposition to begin a gradual transition towards a new political order. Since they bear responsibility for so many deaths, Assad and his close entourage have long missed their window of opportunity to continue to lead, or even to form part of a Syrian transition to political openness and democratisation. Instead, if they chose not to flee as other leaders have done, they would be held legally accountable for their actions – although, since Syria has not signed up to the ICC, the jurisdiction for holding a trial against Assad is not clear.

Aside from the violence, the Syrian people's rightful claims to a legitimate, accountable government make a continuation of the Assad regime unthinkable, especially in the light of the new events in Tunisia, Egypt and Libya in 2011. The electoral victories of Islamist

parties in Tunisia and Egypt, the continued role of military and old regime actors, and the tensions and polarisation that accompany transitional phases have led to some scepticism about the transitions. But in spite of these reservations, lively debates and growing civil and political societies in these countries give hope for a brighter future. For the first time in Arab politics, governments will be held accountable and political parties will be obliged to live up to people's expectations. The human potential for political empowerment in Syria is great: Syrian citizens are generally well educated and their interest in political affairs is high. Even though Syrian opposition movements have so far failed to efficiently coordinate their efforts, they are capable of organising campaigns, presenting programmes and ideas and gathering voices and support. The capacity to manage a transition to democracy exists.

The lack of economic accountability is another factor that argues for an end to the Assad regime. Bashar's policies of economic liberalisation have seen a massive growth in corruption and nepotism at the top. Rami Makhlouf (also known as 'Mr 10%'), Bashar al-Assad's cousin who controls major sectors of the Syrian economy, is just one representative of a system riddled with cronyism. The gap between poor and rich has widened under Bashar, impoverishing large segments of the population. Inflation has risen consistently and the economy has not grown at a sufficient pace to create enough new jobs. In 2005, 30% of the Syrian population lived in poverty, while 11% lived below the subsistence level, according to the United Nations Development Programme. Assad's rule has been preventing Syria from developing its full economic potential.

Last but not least, from the West's point of view, the possible shift of alliances that could follow a fall of Assad's regime could speak both for and against toppling Assad, depending on who takes his place. Members of the international community have been split on their approach to the Assad regime depending on their different

preferences regarding Syria's regional role. The United States, Israel and Saudi Arabia have been in conflict with Syria because of its relations with radical actors and movements in Iran, Lebanon, Palestine and/or Iraq. Iran benefits from direct access to the Arab world. The material and logistical support organised through the Syrian territory strengthens both Hamas and Hezbollah and backs up their anti-Israeli stances. Syria's active support to the Iraqi resistance harms Western interests. Some of these alliances have recently started to shift: some Iraqi Sunni tribal sheikhs are said to have started to give financial support to Assad's opponents, and the head of Hamas's political bureau has left Damascus. But Syria remains closely linked to Hezbollah and Tehran. Damascus' close relations with Moscow and Beijing have proven extremely important for Syria at the United Nations Security Council, where Russia and China prevented the adoption of a resolution that could have provided the legal basis for a foreign intervention.

In the best case scenario, a fall of Assad's regime would see Damascus shift from its traditional alliances with adversaries of the West towards more openness to the West. If a genuine democratic transition were initiated, the end of the current regime would constitute a serious blow to Syria's current allies. Syria's inclusion in a global 'refusal front' would be relegated to the past. The way in which a change of regime would influence regional alliances, however, would depend on the political orientations and preferences of Assad's successors. If it were controlled by Islamists, Syria would become closer to Saudi Arabia, while also developing better relations with Western countries. If liberal and progressive powers manage to succeed Assad, Western countries would also become privileged partners. In both cases, Syria's relations with Iran and Hezbollah would see a dramatic shift, to these two actors' disadvantage.

Much speaks for a removal of the Assad regime. However, a change of regime would likely have a number of negative repercussions.

## Assad's fall as an incalculable risk

For good reasons, the Syrian president has been able to use the West's fears to justify his political choices and his grip on power. Assad is aware that the West fears the regime's fall may provoke a sectarian war extending beyond Syria's borders. So he has been stressing the Islamist nature of the majority of his regime's opponents, allowing him to instrumentalise Western fears to continue his violent clampdown on the uprisings. Similarly, accepting the Annan plan was for Assad a mere strategic step: knowing that the plan would be unable to stop the violence, he hoped to gain new insights on the military strategy of his opponents.

At the time of writing, the prospects for a fall of the Assad regime remain uncertain. Several of Syria's neighbours are waiting impatiently for the end of the Baathist regime. Some of them, such as Qatar and Saudi Arabia, are even pushing for arming the regime's opponents the way they do. For the West, whether a fall of the Assad regime is good or bad news depends on who would take over, and how firmly the successors would be able to resist external attempts to influence them. Among the main risks of a fall of the Assad regime are sectarian strife, a power vacuum leading to greater involvement of foreign radical groups, and a destabilisation that could lead to a further rise of regional tensions.

Prospects for sectarian clashes remain high in a country that has several important religious minority groups; Syria's population is made up of Christians, Alawites and Druzes. In a similar vein, ideological divides between faith-based political actors are likely to arise in the transitional order of this so far firmly secular country. If the regime was to fall suddenly, the refusal of Syria's Alawite minorities to support the Sunni majority against Assad could lead to reprisals from opposition groups and/or from individuals who have paid a high price for bringing about change. At the same time, Islamists have worked

hard to bring down Assad as they hope to bring Syria closer to its Sunni Islamist neighbouring countries. While the popularity of the Syrian Muslim Brotherhood (MB) may seem limited, so was the influence of MB offshoots in Tunisia and Libya before leaders were toppled and elections were organised. Any strong role for sectarianism in a post-Assad transitional order would have significant spoiler potential that would likely go far beyond the political polarisation which can currently be observed in Egypt and, to a lesser degree, Tunisia.

Any post-Bashar era could see further interference from foreign groups from one of Syria's five bordering neighbours. This is less likely to occur from the Israeli border, where movements and crossings are tightly controlled. But Jordan, Turkey, Lebanon and Iraq are hosting groups and individuals keen to take advantage of their proximity to Syria to provoke radical changes. The threat comes from radical Islamist groups, both Salafi and those radical Islamist networks presumably funded mainly by Saudi Arabia, who have developed a presence in most of Syria's neighbouring countries. American intelligence sources also believe al-Qaeda has been responsible for some of the attacks in Syria since the beginning of the uprisings in 2011. A sudden fall of the Assad regime with only an ill-prepared opposition to guide the country's path towards transition could lead to a political and security vacuum, allowing radical groups to take hold of Syria, as happened in Iraq after the fall of Saddam Hussein. The presence of Salafis at the Syrian border after the uprisings of 2011 is one indicator that these groups are prepared to take their opportunity, if one arises. Ideologically opposed to the idea of a secular Syria ruled by a non-Sunni leader, these groups would like to see a Sunni Salafi take power and so push Syrian society towards more conservative values.

The possible reshuffle of Syria's traditional strategic alliances could cause unwelcome consequences for the region's stability. The Syrian regime has been characterised as a regional pyromaniac. But many of its frequent threats to its regional adversaries, such as Israel, Hariri and his

allies in Lebanon, the former Western coalition in Iraq, Saudi Arabia and most recently, Qatar, were little more than hot air and did not result in violence. Syria has not attempted any direct attack on Israel since 1973, but it is not clear what part it has played in the Lebanese civil war, in its relations with Hezbollah, or in the assassination of former Lebanese prime minister Rafik Hariri and other personalities. But for the most part, Syria's rhetoric may be harsh, but its determination to turn rhetoric into action has been less clear. From that point of view, it could be argued that the risks inherent in replacing Assad with an unknown entity could outweigh the advantages of getting rid of a hostile regime whose hostility, for the most part, was mere rhetoric. A regime change in Syria could not only generate domestic instability, but also intensify regional tensions. If both Iran and Hezbollah lose Syria's support, their sudden sense of weakness may translate into greater assertiveness and radicalism towards their own traditional enemies, such as the Gulf countries including Saudi Arabia and Qatar and the United States and its Western allies. Pushing Iran further towards regional isolation could heighten tensions and increase the risk for violent escalation.

## Three scenarios for Syria's future

Just how likely is a fall of the Assad regime, and who would be most likely to succeed it? Three main scenarios are currently most plausible for Syria's future.

Since the start of the 2011 uprisings, many analysts have predicted that the fall of the Syrian regime was unavoidable. One year on, it has yet to happen. Economic sanctions and diplomatic pressure have not had the desired effect. The Syrian government has effectively fought off international attempts to end the violence. In the latest development, the Syrian regime has nominally accepted Kofi Annan's plan to define a solution. But the government and its opponents continue to accuse each other of not fulfilling their commitments. The international

community has failed to find efficient means to solve the Syrian crisis, while Qatari and Saudi demands to arm the opposition have been consistently rebuffed. At the same time, most external observers have underestimated the strong rejection of any kind of Western or other foreign role in bringing about change, whether it be from the United States, Saudi Arabia, Qatar or Turkey. A viable solution to the Syrian crisis remains a distant prospect.

So, the most likely scenario in the short term is the continuation of violence in a context in which the Syrian regime remains the strongest player. The window of opportunity for a process of gradual change led by Assad seems to have passed long ago, and Assad's propositions for reform lack credibility. But the Syrian regime will still try to contend it is leading change. After the approval of a new constitution in a referendum on 26 February 2012, parliamentary elections to the Syrian People's Council are due to be held on 7 May this year. The presidential mandate is said to be limited to a maximum of two terms, of which Assad can still try to avail in order to remain in power.

The possibility of a sudden fall of the regime cannot be entirely ruled out. This could be brought about either by a series of defections from its political and diplomatic ranks, or by further and more significant splits at a high level in the army. A serious deterioration of the economic situation could give new impetus to the popular uprisings. That said, Syria currently lacks an opposition force with the broad popular backing needed to fill a sudden power vacuum. Opposition groups such as the Syrian National Council (SNC) do not enjoy huge public support in Syria. Their internal contradictions and divisions, their funding source in Qatar and their subordination to the demands of foreign powers make their domestic credibility limited. Other members of the Syrian opposition, victims of their own diversity, are not doing much better. In the absence of an attractive alternative around which to rally, the majority of the Syrian population appears to be identifying with the regime.

The main option most likely to bring about the sudden collapse of Assad's regime is a foreign-led military intervention. But unless something unexpected happens, the United States' reluctance to add fuel to the Syrian fire given its own upcoming elections, combined with Russian and Chinese opposition to any war scenario, may well allow Bashar al-Assad to remain in power until 2013 and beyond.

## Conclusion

The Syrian regime's capacity for resistance can be explained by a series of factors. The violence of the army has dissuaded anti-government protests. The Syrian population is increasingly eager to move on, and the memory of the violent anarchy in Iraq after the fall of Saddam Hussein is still fresh in people's minds. The most visible Syrian regime opponents are based abroad. The international community also has responsibility for Assad's continued hold on power. Thanks to the Russian and Chinese veto, the UN has failed to adopt a resolution that could pave the way for a more forceful international response to the violence in Syria. At the same time, the countries opposing the Syrian regime seek to exert influence without getting too directly involved. The result of this risk-averse behaviour is condemnation without action and economic sanctions without political outcome – including from the European Union, whose influence in the conflict remains marginal.

After a year of largely unsuccessful economic and political boycott of the Syrian regime, it is time for Western governments to find other, more effective means of influence. Diplomacy remains the best option. The Syrian government will not submit to the West's demands. Damascus has precious allies in Moscow and Beijing, and even if Russia and China were to reverse their position, Syrians would keep on developing their own policies. Finding better ways to deal with the Syrian regime, for example via discrete second track diplomacy,

should now become a priority, especially for the EU, whom Syrians do not perceive as a threatening actor. Such an approach would not mean endorsing Assad's actions. On the contrary: new channels of communication would make it easier to denounce his actions, and external actors who care about Syria's future could identify the reformists in the regime and learn how they could be helped to play a constructive role in the future. High Representative Ashton's recent choice to combine further economic sanctions with a change in tone that indicates a certain accommodation with the regime stands as a pragmatic and correct decision, but it is not enough. In parallel to Annan's efforts, the EU should open a channel of dialogue with Syria. While the prospects for European concerns to be taken into account are low, they only stand a chance when voiced discretely.

Assad will not stay in power indefinitely. Having been unable to agree on a way of stopping the violence, the international community must now exploit all available diplomatic options. And, in case Assad does fall suddenly, it must stand prepared to deal with the consequences of the ensuing political vacuum.

# 8. Political Parties in Young Arab Democracies

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Political parties proved largely irrelevant to the 2011 Arab uprisings. Without backing from parties, leaders or ideology, the facebook generation managed to mobilise the masses, articulate their demands on the streets and project them internationally via social networking sites. The role of political parties in democracies is to represent citizens' interests, foster participation, structure political choices and form governments. As Thomas Carothers explains in 'Confronting the Weakest Link: Aiding Political Parties in New Democracies' (Carnegie Endowment, Washington, DC: 2006), parties in young and struggling democracies are typically held in low regard. Perceived as corrupt, self-interested clubs built around a single leader, lacking a distinctive ideological identity and dogged by inter-party squabbling, they are largely disconnected from the lives of ordinary citizens. Challenges for political party development in the Arab world include building organisational capacities, forging a distinct message, developing grassroots constituencies, and, most importantly, winning citizens' trust.

## Party development in Tunisia, Egypt and Libya

In pre-revolutionary Libya, political parties were banned outright. Egypt and Tunisia were de facto one-party states overseen by a single strongman, and the 'ruling party' was largely merged with state structures. The few tolerated opposition parties were harassed on a regular basis and stood no chance of attaining any meaningful political power. Involuntarily, legal opposition parties helped to legitimise the system by partaking in token elections. This panorama caused today's Arab populations to view political parties as corrupt, useless, or both.

After the fall of the regimes in Tunisia and Egypt, regime parties were disbanded, and dozens of new political parties were licensed, creating a highly fragmented political landscape. While parties played a marginal role in the revolutions, they gained relevance once the transitions began. The mass movement that deposed autocratic rulers largely failed to transfer its demands from social networks to party politics. Despite all reservations, political parties remain the only means of channelling mass support for the goals of the revolution into an institutionalised political consensus.

In Tunisia, following the ouster of Ben Ali in early 2011, the ruling Democratic Constitutional Rally (RCD) was dissolved. Most formerly banned parties, as well as a plethora of new ones, were licensed during the following months. Over 100 parties competed in Tunisia's first free and fair legislative election since independence on October 23, 2011. Turnout was over 90 per cent of registered voters. High fragmentation led to 31 per cent of the votes being cast to lists that remained unrepresented in the Constituent Assembly. With 40 per cent, the Nahda Party emerged as the strongest force, and formed a coalition government with the centre-left parties Ettakatol and Congress for the Republic. In 2012, several splits and mergers among liberal-leftist parties have reflected efforts to raise the liberal camp's appeal and political clout ahead of the 2013 parliamentary elections.

Ennahda's electoral victory has been largely ascribed to three factors. Firstly, the movement benefited from its reputation as a major voice of opposition against the Ben Ali regime. Many of its leaders were jailed for years. After the revolution, 'jail time' emerged as a mark of candidates' electoral credibility. Secondly, the party was the only formation that successfully reached out to grassroots across the country. Facing heavy political persecution, Ennahda had been practically absent from the Tunisian political scene for two decades, but in the run-up to the 2011 elections, Ennahda was the only party holding rallies and putting up posters in even the remotest villages. Liberal parties lacked both the resources and consciousness to effectively reach out to rural areas. Thirdly, the party succeeded in devising a political message which, by promising to abolish the secularism 'forced' upon Tunisians by subsequent dictatorships, appealed to religious people and some anti-regime critics alike. While the party stresses its commitment to democracy in a reformist reading of Islamic law, many liberal Tunisians remain wary that Islamists might undo the country's modernist secular legacy.

Tunisian parties have little time to relax, with the next legislative elections announced for March 2013. The liberal opposition remains fragmented and ill-prepared to learn from strategic mistakes, although some recognise the need to 'talk to people in their homes, not through TV ads'. In May 2012, Al-Islah became the first Tunisian Salafist party to be licensed. Tunisia's main Salafist organisation, Hizb-ut-Tahrir, remains banned. The Nahda government's reluctance to take drastic action to prevent Salafist disturbances has been criticised as a way of compromising on programmatic integrity to secure Salafi votes. The growing strength of Salafism puts Ennahda in an awkward position and will require a clearer stance ahead of the 2013 election. For the liberal opposition, the two biggest liberal parties' coalition with Ennahda has dampened the prospects of building a united front against the dominant Islamist trend before the elections.

Political competition in Mubarak's Egypt was slightly more open than in Tunisia. A wider range of opposition parties were licensed, and the then banned Muslim Brotherhood (MB) was allowed to participate in elections via independent candidates. Dominated by Mubarak's National Democratic Party (NDP), Egypt's political and legal framework barred opposition parties from entering the realm of core political decision-making. Following the ouster of Mubarak on April 16, 2011, the NDP was dissolved and its assets transferred to the state. As in Tunisia, a multitude of formerly outlawed and new parties were licensed, among them the Freedom and Justice Party (FJP) linked to the MB, Salafist parties such as Al-Nour, and long-standing license candidates such as Al-Karama and Wasat. Most political parties are wary of being branded 'Islamist' or 'secular' (both perceived to have negative connotations), preferring labels such as 'civil', or 'Islamic reference'.

With less than a year to prepare for the post-revolutionary elections (November 2011 to January 2012), most newly-founded parties were highly inexperienced in terms of organisation, had only a rudimentary party platform, and lacked the skills and experience to effectively reach out to voters across the country. The only exception was the FJP, which was able to rely on the MB's solid grassroots connections. Tolerated throughout Mubarak's rule, since the 1970s the MB had invested significant efforts and resources into developing its grassroots constituencies, including via a network of hospitals and other social institutions providing much-needed services.

In the run-up to the elections, various electoral blocs emerged. The MB formed a bloc with a number of liberal and leftist parties (including Wafd, Ghad and Tagamma), while other Islamist parties, including Al-Nour, assembled in a more conservative Islamist electoral bloc. With a turnout of 62 per cent of the electorate, the elections produced the expected MB majority (213 of the 508 seats). The Islamist alliance headed by the Salafist Al-Nour came in second, taking almost one quarter of seats. In an attempt to prevent an anti-

Islamist backlash, MB/FJP leaders have been reluctant to form a pact with the Salafists, favouring alliances with liberals instead. Within the MB, debates on reforming the organisation have led to a number of splits and defections. The FJP has yet to become fully independent from the MB. The latter's funding remains opaque as its lack of legal status relieves the movement from disclosing its funding sources.

In a May 2012 Pew poll of views on political parties and movements, 70 per cent of Egyptians expressed a positive perception of the MB, followed by the April 6th movement (68 per cent) and the Supreme Council of the Armed Forces (SCAF, 63 per cent). Notably, none of these are political parties, which fell behind (FJP 56 per cent, Al-Nour 44 per cent, Egyptian bloc 38 per cent. The outcome of the power struggle between the ruling SCAF, the MB, Salafists and liberal political forces will determine the degree to which elected party representatives are allowed to exercise the executive powers bestowed on them by voters. Although members of the Egyptian parliament have been elected, the powers and responsibilities of the mandate are yet to be specified by the constitution. The same will apply to the new president to be elected by June 2012.

Political parties in Libya were banned from 1972 onwards. Following the ouster of Muammar Gaddafi and the end of the 2011 civil war, in January 2012 the Libyan National Transitional Council (NTC) paved the way for the creation of political parties. Since then, 36 new parties have been licensed, with others awaiting approval. Libya's first democratic elections for a Constituent Assembly are scheduled for June 2012, affording the new parties even less time to prepare than their Egyptian and Tunisian neighbours. Of the 200 seats in the Assembly, 80 will be open for political parties, and the remainder will be reserved for independent candidates.

Libya's political party landscape is being created from scratch. This means that there are no institutional capacities, experience or skills to

build on. At the same time, Libyan parties will not need to overcome the ingrained cynicism towards political parties which their peers in Egypt and Tunisia are facing. Moreover, creating a new legal and institutional framework provides an opportunity for the kind of fresh start that popular revolutions longed for. During the interim period, the NTC has been acting as Libya's de facto parliament. In April 2012, the NTC adopted a controversial political party law that banned the establishment of parties based on religion, tribe or ethnicity, effectively banning Salafists from running in elections. Following opposition from Islamist and federalist contenders, however, the rule was eventually dropped.

The Libyan Muslim Brotherhood's newly founded party is expected to fare well in the parliamentary elections. Persecuted in Libya, MB leaders developed the organisation from US exile. Since 1999, a change in Gaddafi's approach from overt repression to co-option allowed the MB to set foot in Libya again. Unlike their peers in Egypt and Tunisia, however, Libyan Islamists have hardly any experience of grassroots outreach, as Gaddafi's rule prevented them from building both constituencies and a solid organisational structure within Libya. Ethnic diversity and the importance of tribe structures mean that political parties risk being organised along ethnic lines, and that traditional tribal and clan structures may outmanoeuvre official political institutions as vehicles of local governance. Other significant differences between Libya and its revolutionary neighbours are the security legacy of the civil war, and the far more positive economic outlook due to the country's oil and gas reserves.

## Parties in transitions: international experiences

A number of themes stand out regarding the role of political parties' in the 2011 uprisings and the ensuing transitions. Experiences from political transitions across the globe provide useful lessons on how similar challenges were faced.

*Building organisational capacities.* Popular pressure for a legitimate government pushes for early elections. This means that newly-founded parties have only a few months to build up minimal organisational capacities: draft a platform, attract members, choose candidates, develop institutional structures and campaign. In today's new Arab democracies, early elections benefit the few parties that already have these capacities and/or privileged access to funds. As hardly any public money is available to parties and funding from foreign sources is banned, parties often depend on a few private donors, hampering their independence. Only some Islamist movements, backed by foreign funds, were able to develop their organisational capacities under the dictatorship. The Islamists' institutional head-start carries the risk that one party will entrench its dominant position. However, in many transitions (e.g. Eastern Europe), initially fragmented party landscapes gradually re-concentrated as a small number of stable parties was able to consolidate a solid institutional and funding base.

Capacity building also means developing future party leaders and disassociating the parties' identity from that of individual leaders. In Ukraine, revolution leader Yuschenko's party fared well in the immediate aftermath of the Orange revolution, but its success faded when Yuschenko fell from grace. Following a youth-led revolution, the rotation of elites and the younger generation's access to central party positions is crucial for parties' appeal. In Putin's United Russia party, there is effectively no rotation of elites, and the party's youth arm serves to portray the party as a mass youth movement. For Arab parties of all stripes, enabling new generations to access party power will be key to their future. This is particularly true for those that existed previous to the revolution, as entrenched structures and traditions are likely to be perpetuated (as in the Argentinian Peronist party, for example). The challenge of organisational renewal is particularly urgent in strongly hierarchical MB movements, as demonstrated by the numerous splits of dissenting youth opposing the old cadre's top-down decision making.

*Developing grassroots constituencies.* As Carothers indicates, the immediate plunge into electoral campaigning poses huge challenges to newly-founded parties. Aware they might not survive if they are unsuccessful in the first elections, parties focus all their efforts on Election Day. This is detrimental to long-term constituency-building and often aggravates the elements so often criticised in parties: shallow platforms, opportunistic self-interest, superficial messaging and a disconnection from the rural grassroots. Around the world, few stable political parties have evolved from immediate electoralism. Exceptions to this trend are a number of parties that were tolerated under the previous regime, using that time to build strong grassroots connections, which they then benefited from once genuine electoral competition opened up (e.g. the Democratic Progressive Party in Taiwan and the National Action Party in Mexico). In the Arab world, some Islamist movements' long-term approach to grassroots constituency building empowered them politically. As regimes fell, Islamist movements were the only political forces with the grassroots backing needed to fill the power vacuum.

*Forging a distinctive programmatic identity.* Among the main criticisms of political parties is their programmatic vagueness. In an attempt to please as many voters as possible, parties avoid clear stances, instead proclaiming general goals like 'development' and 'democracy'. In consequence, parties lack the clear programmatic identity that is indispensable if parties are to orientate voters, articulate popular will and channel it towards electoral representation.

The integration of new democracies into global markets reduces the scope for distinctive identities forged around different macroeconomic policies. If all parties embrace IMF-guided market capitalism, citizens have no choice. This was the case in Latin America in the 1980s and 90s, where market reforms and privatisation ultimately did little for growth, poverty and inequalities, and people's hopes of achieving better living conditions, dignity and justice through democratisation were disappointed – and political parties were blamed.

While nationalist and faith-based ideologies have been used by various political forces in the ensuing struggle for power, they remained at the sidelines of the 2011 uprisings. The 2011 uprisings in the Arab world happened for the sake of 'freedom and dignity'. The decreasing role of ideologies and the reduced range of policy choices leave a substantial void in parties' identities. Filling this void with religious or ethnic references can be hazardous for the success of democratic transitions. As experiences in Sub-Saharan Africa (e.g. Kenya) show, political relations based on kin, tribe or regions risk determining voting behaviour and dominate over formal concepts of citizenship.

MB affiliates' electoral victories in Tunisia and Egypt have been widely interpreted as a sign of the rise of Islamist ideology in the Arab world. As in other parts of the world, globalisation has led to a revival of local traditions and identity politics, including those associated with religion. Several authoritarian regimes sought to capitalise on this trend and instrumentalise religion to strengthen their hold on power. The aftermath of the uprisings has widened the spectrum of Islamist political actors, particularly with Salafists entering party politics. However, the appeal of the Islamists' ideological message is just one of several factors explaining their recent electoral gains. The extent to which their success can be regarded as a triumph of faith-based ideology per se will become clearer once strong non-faith-based political competitors emerge.

*Restoring trust.* Perceived as part of the problem that the revolutions sought to oust, political parties face an uphill battle to restore people's confidence in them as representatives of citizens' interests, and in multiparty democracy more broadly. Of course, parties can only be as good as the system in which they operate, and they are often blamed for broader problems such as economic crisis and poverty. The parties' need to win votes for survival fuels the need for money, which reinforces the illicit behaviour that damages voters' trust. Following a revolution, the degree to which voters identify a political party with the goals of the revolution is electorally decisive. In many African countries (e.g. South Africa,

Mozambique, Botswana, Namibia, Senegal), former liberation movements managed to win elections on the legacy of the revolution/liberation they fought. Sometimes this led to a dominant party system in which the boundary between the party in power and the state was increasingly blurred (e.g. Kenya). This risk also exists in young Arab democracies in which a single Islamist party is dominant and opposition parties remain weak. Clean elections, successful first governments and parliaments, respect for accountability, transparency and rotation of power, and leaders with integrity can all help to restore confidence over time.

## Conclusion

The Arab Spring established MB-affiliated Islamist parties as the dominant political force in the region. The Islamists' electoral success can be ascribed to the combined effect of their grassroots connection, their charity work, their image as the opposition, their privileged funding situation, and the appeal of their faith-based political message. The dominance of Islamist parties is therefore not necessarily a sign of mass faith-based ideology: it also highlights the lack of credible and efficient liberal alternatives.

Shunned before and ignored during the 2011 uprisings, Arab political parties are now coming to the forefront of transitions as revolutionary demands must be translated into viable political agendas. In Tunisia, Egypt and Libya, the future of political parties will depend on the role and power ascribed to them – and to the elected state institutions – in the constitutions to be written over the coming year. A deep mistrust of the political class was among the dictators' parting gifts. The challenge for new and revived political parties is no less than reinventing Arab party politics. This will only be possible within a political and legal system in which democratic elections give party representatives access to the core of power.

# PART II: **EUROPE'S RESPONSE**

# 9. The role of external actors in the Arab transitions

*Ana Echagüe*

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The role of external actors in the Arab transitions will be conditioned by the particularities of the Middle East and North Africa (MENA). It is well known that emancipation is a key leitmotif of these transitions and what support the West has offered has been met with understandable hesitancy and suspicion. It is also clear that international actors are unwilling or unable to provide the kind of prolonged financial and political support that was so helpful in encouraging and accelerating Eastern Europe's political and economic reforms. Western ambivalence about whether transitions in the Arab world will serve its interests in the region, combined with the effects of the economic crises, have tempered its response and precluded the mobilisation of large-scale resources. Transitions in the MENA will therefore be determined by domestic factors, rather than external actors. The transitions will also be rendered more difficult by a precarious socioeconomic situation and, in some cases, religious and ethnic cleavages. Having to navigate political and economic reforms simultaneously will be a major challenge.

Nevertheless, external actors can support or undermine an indigenous process. Drawing conclusions from the role of external actors in past transitions can therefore prove a useful exercise. Past experience suggests that transitions can be expected to last at least 10 to 15 years and will be messy and uneven processes where the desired outcome is far from guaranteed. There is a wide range of scenarios within which external actors intervene in political transitions. At one end of the spectrum, Eastern European states actively courted external aid, knew what their end-goal was and had a consolidated opposition. At the other end, today's Arab states in transition have been reluctant to receive aid from certain actors, have no regional model to aspire to and lack a united opposition. While external actors were caught by surprise by the 2011 uprisings in the Arab world, they still have time to learn from past transition experiences to make their interventions and support for the transitions more effective.

## External actors in MENA transitions

The international community has been keen to show its support to the 2011 uprisings and the ensuing transitions in a number of ways.

In terms of multilateral cooperation, under the 'Deauville Initiative', in September 2012, the international community pledged $38 billion in financing to Tunisia, Egypt, Morocco and Jordan over 2011-13. The International Monetary Fund (IMF) promised a further $35 billion to countries affected by Arab Spring unrest. However, much of the assistance pledged has yet to materialise. More a statement of support than a firm commitment, many of the funds take the form of investments or loans, rather than grants.

The European Union (EU) responded to the Arab Spring with a broad range of tools, including humanitarian assistance, revised policy programmes, sanctions, military intervention and diplomacy.

A new programme, 'SPRING' (Support for Partnership, Reform and Inclusive Growth), was put in place to organise additional financial resources of €350 million for 2011-2012. New tools to support reform include a €22 million Civil Society Facility, and a yet to be established European Endowment for Democracy. The EU has attempted to embed political reform within broader socio-economic development. It has also established country task forces to co-ordinate support by donors. The first task forces have visited Tunisia and Jordan and a third one is expected to visit Egypt after the presidential elections. The European Neighbourhood Policy (ENP), as revised post-uprisings, includes a more refined positive conditionality, offering 'money, market access and mobility' as incentives. Despite traditional member state reluctance, the EU is demonstrating much greater readiness to negotiate on trade and mobility issues. The European Commission has a mandate to start negotiations to establish deep and comprehensive free trade areas with Egypt, Jordan, Morocco and Tunisia with a view to eventually including them in the common market. Negotiations on 'mobility partnerships' involving some form of visa-facilitation are being held in parallel.

The US Department of State has created a new 'Office of Middle East Transitions' to coordinate assistance to transition countries. The budget request for aid for the Arab Spring countries in the 2013 budget is $800 million, the bulk of which is to be directed towards a new 'Middle East and North Africa Incentive Fund'. The fund will build on other programmes, including up to $2 billion in regional Overseas Private Investment Corporation financing and Enterprise Funds to promote private sector development modelled on those that supported transitions in Eastern Europe. The Middle East Partnership Initiative, the principal contributor to the overall non-security assistance, is providing funds towards electoral support, civil society, political parties, judicial reform and the media.

In addition to development cooperation, both the US and the EU have tried to exert influence by diplomatic means. For example, US

political pressure was used not only in the run-up to Mubarak's fall, but also more recently in the case of the lawsuits brought against a number of international and local NGOs in Egypt. Negotiations between the US government and the Supreme Council of the Armed Forces (SCAF) secured the lifting of travel bans on the American NGO employees. A few weeks later the Obama administration decided to resume its $1.3 billion in annual military aid to Egypt, bypassing congressional requirements for certification of the country's progress towards democracy.

Much of the support provided by external actors is defined by their strategic interests in the area. Driven by their concern over the precarious security balance in the region, the EU and the US want to ensure that Egypt and Jordan commit to the peace treaties with Israel and that they align with Western positions on Iran and Syria. They also want to avoid disruptions in the Suez Canal that may affect oil transport. In the same way as this led them to tacitly support Mubarak in the past, it will now require their engagement with the newly elected Islamist governments.

Beyond Western state actors, the Gulf States are also important lenders to the region. They respond to interests which include preserving political leverage, containing the spread of revolution, countering Iran and commercial pragmatism. So far, Saudi Arabia has pledged $4 billion to Egypt, the UEA and Kuwait have each pledged $3 billion and Qatar has pledged $10 billion in investments. The bulk of these funds are for investments and project finance. So far only $500 million has been disbursed by Saudi Arabia and Qatar.

International Financial institutions play an important role, not only in terms of the funds they disburse but also in terms of the implied guarantees they provide that lead to credit from other donors. While Tunisia has not yet requested an IMF loan, Egypt is in need of a quick agreement with the IMF if it is to avert a currency crisis after the

depletion of more than half its foreign currency reserves. Having turned down an IMF loan last year, Egypt retracted and is now discussing a $3.2bn facility over 18 months. The World Bank offered up to $6 billion to support the transition in Egypt and Tunisia. The European Bank for Reconstruction and Development's mandate has also been reoriented so that it can play the same role in supporting transitions in the MENA that it played two decades ago in Eastern Europe. It can now invest annually up to €2.5 billion in Egypt, Tunisia, Jordan and Morocco.

On paper external actor support seems adequate but much will hinge on how this support is targeted and delivered. For this purpose it is instructive to draw some lessons from past transitions.

## Lessons from past transitions

External support for political reforms and transitions has evolved from a narrow focus on election monitoring in the 1980s to assistance in 'rule of law' issues such as reform of the judiciary. In Latin America, international interest in the justice sector in the 1980s was closely linked to the process of economic liberalisation. In the 1990s the emphasis shifted to support for civil society. This reflected donor interest in reducing the size and reach of the state and the realisation that public-sector reform is expensive and complex. But over the past decade, donors have begun to question the wisdom of marginalising the state in favour of supporting civil society as a parallel structure. The new emphasis among donors is to encourage state and civil society actors to work together. Most recently greater attention is being directed towards supporting political parties and parliaments, although international assistance to political parties is not new. The German political party foundations, such as the Konrad Adenauer Stiftung and the Friedrich Ebert Stiftung, have been active in this arena since to the 1960s. In addition, in the last decade, multilateral aid agencies like the World Bank and the United Nations system

have been emphasising integral processes which include links to the MDGs and Poverty Reduction Strategy processes.

Some of the most common pitfalls experienced during the lengthy history of external aid are summarised below.

*Treating the symptoms while ignoring the root causes:* Often, external actors assume that the reintroduction of democratic institutions, multiparty systems or a reformist government will be sufficient to carry forth a transition. In fact, outward changes in form do not necessarily reflect deeper structural changes. In Ukraine and Georgia, too much hope was placed in the new pro-western governments which were showered with money without any accountability. But in Georgia, little has actually been achieved since the departure of Shevardnadze, and in Ukraine, the government failed to implement most of the reforms it committed to on paper.

*Functionalist approaches:* A functionalist understanding of 'the state' as a set of institutions that can be delivered like a product, using certain principles of institutional design, can lead external actors to focus on issues that seem to lend themselves to relatively easy implementation by applying supposedly technocratic practices. This approach ignores the fact that state-building is not simply a technical exercise, limited to enhancing the capacities and effectiveness of state institutions. Rather, it is a political enterprise which involves serious political conflicts as existing distributions of power are threatened. In Romania, Serbia and Ukraine, modernising courts and improving the efficiency of case management encountered little opposition from national governments, but the strengthening of judicial independence through the removal of executive control of appointments or the finality of judgements met with strong resistance.

The lack of attention to the social, economic, historical and local context in which transitions are taking place has been particularly

marked on the African continent. This was the case in sub-Saharan Africa where donors channelled assistance to strengthen the electoral process, parliaments, the judicial system and local government, yet there were constant reversals or stalled transitions. In fact, continued aid disbursements enabled governments to maintain a strong degree of top-down control over the political process through patronage politics.

*Undermining local ownership:* External actors risk playing too active a role and thus undermining local ownership. For example, external actors often push for elections too rapidly in their haste to see a legitimising process for the national leadership. But if elections are held before opposition parties are well organized, media coverage is balanced, and electoral commissions are ready, early elections will likely benefit the incumbents. Too much external involvement can also negatively affect the legitimacy of domestic actors and make them vulnerable to accusations of encouraging undue foreign interference. Lack of ownership was a major obstacle to justice sector reform in some countries in Latin America. Likewise, Eastern Europe suffered from the tendency to adopt laws from other systems, without adaptation to the local legal culture. In Ukraine donors learnt to make aid to the government more effective by working on institutional reforms only when a specific window of opportunity or a demand from the government appeared. In the economic context the impetus for reform should also come from within. The blueprint structural adjustment policies and conditionality characteristic of the Washington Consensus have been superseded by a new paradigm of 'effective aid' that is founded on a discourse of country-led ownership, partnership and co-responsibility.

*Short-termism:* Reform efforts that are insufficiently funded or of limited duration and swings in funding are problematic. Transition processes are long-term and non-linear, requiring patience and willingness to accept setbacks. However, because of the pressure to show results external actors often focus on the short-term and shift

policy direction. In Ukraine, donors switched support from civil society to government when reformists came to power. This proved to be a mistake as the government was not able to implement many of the reforms it committed to and civil society was weakened. In the post 1989 transitions external actors made available generous financial and technical assistance over long periods of up to two decades. This made it easier to implement reforms that were unpopular politically.

*Creating a democracy industry:* Weak institutions and economies can result in external actors contributing to the creation of a 'democracy industry', represented by capital-based civil society associations with weak ties to broader constituencies. Civil society support that is not driven by local demand tends to create organisations that are often simply individuals adept at obtaining funds, but not necessarily helpful in promoting reform. This was the case in Ukraine, and was also characteristic of support for civil society in North Africa prior to the transitions, in particular in Egypt. Overall external actors should take into account how they affect the balance of power between the government and civil society. In sub-Saharan Africa, it is now generally recognised that the donor community is in fact part of the domestic political process, together with domestic governments and civil society associations.

## How are external actors faring so far?

So far international actors in the MENA show signs of having internalised some of these lessons but not others.

Western actors are clearly encouraging local ownership of reforms. The EU has re-evaluated its prior policies towards the MENA, trying to make up for the tacit support it provided to the ruling autocrats. In its official policy documents, the EU acknowledged its mistake in supporting the authoritarian status quo. Since then, EU public diplomacy has been emphasising its 'listening mode'. Rather

than set out a list of conditions to be met by the partner countries, it now aims to strengthen relations with those countries which ask for greater engagement with Brussels. Similarly, the US has labelled its new framework for bilateral cooperation with Tunisia the 'US-Tunisia Joint Political and Economic Partnership'. So far external actors have refrained from trying to push elections or constitutional processes through too quickly. Tunisia has demonstrated resolve in determining its own procedures and timings. In Egypt the US has resisted the urge to negotiate such issues with the SCAF to the detriment of institutional procedures and the elected government.

Despite public shows of repentance, actual changes in terms of policy and instruments do not reflect a qualitative change of paradigm. There is still a tendency to ignore the root causes in favour of treating symptoms and to adopt functionalist approaches to aid. The US is the worst offender in this case. In Egypt, despite providing grants for electoral support, civil society, political parties, judicial reform and the media, the US undermines such work through its direct support for the military. It is well known that the persistence of elites, formal institutions, socioeconomic networks and political culture constructed under previous regimes translates into reform recalcitrant potential spoilers. External actors still need to learn that they should not bet on individual actors, but rather commit to support the state and its institutions. The EU also veers towards the functional in its allocation of different pockets of reform to different member states. For example in Yemen an informal division of labour is seeing the French lead on constitutional reform, the Germans on the national dialogue and the Americans on security. External actors still need to be wary of trying to sell ready made options or imposing any liberal or neoliberal agendas. The transition states will have to carve their own unique institutional designs, especially concerning issues such as the relationship between the state and religion or their economic model. The process of negotiating their own solutions will be long and erratic but external actors should take the back seat and provide support upon request.

It is too early to judge whether external actors will suffer from short-termism or commit for the long haul. Certainly the funds committed are not large enough to reflect a 'marshall plan' type of approach as was suggested by some actors at the beginning of the transitions. In Yemen fear of instability led to support for an initiative that is already showing signs of fraying. By focusing on the removal of Saleh and papering over the need for more fundamental reforms, the international community might have simply bought itself some time. In addition international efforts, for example through the 'Deauville Initiative', are uncoordinated and piecemeal rather than responding to an overall strategy.

There is some danger that the disorder and uncertainty of the post-revolutionary stage, coupled with a lack of economic improvement, will make citizens yearn for stable authority. In order to address this risk in a timely manner, during this early period of change it is important to bridge the gap between expectations and resources. The new governments are under pressure to deliver quickly even though they have limited resources with which to manoeuvre. But any financial aid should be transparent and subject to parliamentary scrutiny in order to avoid corruption and cronyism. In addition, the transition processes should be as inclusive as possible. Addressing the needs and demands of stakeholders outside the political and economic centres will be particularly important in the case of the MENA countries, where the rural population represents an important share of the total population and where important political, cultural, social and economic cleavages between the centre and the periphery persist.

The key to successful external support will be tailoring policies to the specific circumstances of each state, support for domestically driven processes and commitment for the long term. A pragmatic approach based on common interests will provide a firmer base for relations than attempts to mould the emerging democracies to their own image.

# 10. What not to do in the Middle East and North Africa

*Richard Youngs*

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Most European policy-makers are now candid about the miscalculations that led to their ill-fated support for autocrats in North Africa and the Middle East. They have promised a gear-change in the EU's policies towards Arab states. But the EU will soon need to move beyond hortatory platitudes. It will need to strike a balance between doing too much and doing too little. The vitality of current Arab civic movements lies in their undoubted internal genesis which should not be sullied. Europe will not be the primary shaper of the region's new politics and the challenge is to maximise its contribution at the margins and dovetail optimally with incipient domestic dynamics.

How to do this is a more complex matter than simply offering the range of possible policy upgrades that have been kicked around for many years. Notwithstanding their ostensibly drawing lessons from several waves of support for political reform across the globe, democracy promoters tend to repeat mistakes from one transition opportunity (actual or aborted) to the next. In light of this, basic policy guidelines might best be cast in terms of things the EU should avoid doing in the remoulded North Africa and Middle East.

## Precision required

European leaders have certainly reacted in their rhetorical proposals for all kinds of policy upgrades. The basic substance of their suggestions contains little that is new: advanced status agreements, or a set of newly-named associations; access to the EU single market; free(r) movement; increased amounts of aid, especially though the European Instrument for Democracy and Human Rights and the Neighbourhood Governance Facility; and all kinds of people-to-people exchanges. The latest and best developed idea is the proposal for a Partnership for Democracy and Shared Prosperity, launched by the European Commission and High Representative on 8 March.

Pleas for 'helping political transition' are accompanied by a standard listing of democracy's well-known building-blocks – civil society, political parties, parliaments, constitution-building, the rule of law, civilian accountability of security services, elections - and generic calls for the EU to help strengthen all these areas. Fairly airy suggestions invariably follow that this be done through training and knowledge-sharing.

Concerns arise that those responsible for democracy support in national ministries and the External Action Service have so far been sidelined since the upheavals commenced. The European response will need to be built primarily from the knowledge of diplomats covering the Middle East and versed in the region's specificities. But it will also need to draw lessons from previous efforts to assist political change. It cannot primarily be about tinkering with the EU's set of formal policy frameworks.

If European governments are to divert resources into assisting political reform, precision is needed in thinking how and where such money can best be spent. Those who have invested serious research in this question have chronicled how many types of external support can be largely useless or even damaging. The community of policy-

makers engaged in democracy support has come a long way during the last two decades. Refined understandings of how more effectively to accompany processes of political change must be taken on board. This means that a broader set of lessons needs to be learned well beyond the impulse to offer money for democracy capacity-building programmes.

## A Decalogue of Don'ts

As a modest contribution to the enormous amount of advice currently being offered, a number of these lessons are offered here, drawn from international support in successful and failed transitions around the world. This is not an exhaustive list, but one which merely takes a first cut at honing in on some of the most pertinent issues for North Africa and the Middle East. The flip side of these ten 'Don'ts' are the 'Dos' that might usefully guide European policies.

**1.** *Don't raise expectations with fuzzy and meaningless rhetoric that cannot be delivered on.* Ukraine provides a good example of the EU raising hopes of significant post-transition rewards that it has failed to fulfil. The result is that democracy has suffered by association. Democracy is more robust in Turkey, but would have moved more smoothly towards consolidation had the EU not become so obtuse after opening accession talks in a blitz of grandiloquent rhetoric in 2005. Promises of generous rewards after Kenya's break-though 2002 elections were also not fully met; consolidation remained elusive and brutal post-electoral violence broke out five years later.

**2.** *Don't 'pick winners'.* Western governments and other democracy promoters all say they have learned not to favour particular pro-reform sectors. But recent experience shows they often cannot resist the temptation to place most emphasis on backing those individuals seen as the most promising, moderate and charismatic reformists. This rarely ends well.

Georgia is probably the clearest case of this mistake: Western governments' backing for Mikhail Saakashvili has ended up hindering more than assisting democratic consolidation. In Bosnia, the international community supported Serb leader Milorad Dodik and worked to sideline the established nationalist Serb party (SDS). This backfired when Dodik won the 2006 elections on a strongly nationalist platform that he adopted in order to outflank the SDS. As Dodik turned out to be even more nationalist than his predecessors, this miscalculation has become a major obstruction to the process of EU approximation. In the Democratic Republic of the Congo the EU invested 500 million Euros in a 2006 election that was quite patently set up so as to consolidate President Kabila's power; the result has been a deterioration of internal and regional conflict.

**3.** *Don't approach transitions too heavily through the lens of deal-making between elites.* This may be one important aspect of transition; many political scientists adhere to the view that democratic transition is an 'agent-driven' process predicated on successful pacts and shifting coalitional structures within the elite. But, notwithstanding all their protestations to the contrary, international democracy promoters have often become overly fixated on the elite level to the detriment of underlying institutional rules. The latter may appear less urgent in the heat of political protests and rupture. But where such procedural reform is relegated to a low-level priority and postponed too long then transitions tend to falter in their secondary stage.

Iraq provides a good example of huge amounts of political capital and time being invested in shaping balanced deals between different segments of the political elite, when some of the basic institutional prerequisites of democratisation have been left to fester without advancement. Sri Lanka shows that attempting to buy off a minority with financial disbursements is no substitute for a genuinely inclusive political solution: Tamil grievances have continued to mount since the end of conflict in 2009.

Democracy cannot be built through trade-offs between vertical structures of personal political fiefdoms. It should not be thought of as resulting from vertical pillars holding up a common roof of formally democratic constitutional process but rather from layers of horizontal accountability. These may take more time to build but ultimately produce the sturdier structure.

**4.** *Don't turn away from reform opportunities by neglecting those states where democratic breakthrough has not yet occurred.* Support for Tunisia and Egypt needs to be generous. But even greater effort and pressure will be required towards regimes demonstrating more success in fending off civic pressure. This means the EU must not apply different standards towards the 'hard cases'. For example, Saudi Arabia's undoubted, complex specificities and fragile set of domestic political-religious alliances should not justify its immunity to political liberalisation. So far, few signs are evident of new EU steps in states like Saudi Arabia or Syria. Several member states resist the case for increasing pressure on the Iranian regime in response to its brutal put down of protests.

The lesson from elsewhere is that windows of opportunity can easily close. Democratisation is not a smooth continuum with inbuilt self-sustaining and structural inevitability. In Venezuela, the EU missed the opportunity to reinforce the opposition after Hugo Chavez's defeat in the 2007 constitutional referendum, leaving the Bolivarian revolution more strongly embedded three years on. The international community missed a similar window with Kazakhstan, failing to exert leverage during the latter's 2009 OSCE chairmanship.

The EU has promised positive conditionality. But if many regimes do continue effectively to resist democracy European governments many have to consider what is needed for this to be effective. Positive conditionality has already been deployed as the Eastern Partnership's primary instrument, but has been of insufficient magnitude to halt

political regression in Ukraine, Armenia, Georgia and Azerbaijan. The EU's move to positive conditionality in Belarus presaged brutally repressed elections in December 2010.

**5.** *Don't fall for the chimera of partial reform.* The EU must not continue to support limited, façade reform beneath its new pro-democracy rhetoric. It is profoundly disappointing to hear several European governments profess a new commitment to democracy, only in their next breath to opine that Morocco, Jordan, Bahrain and Kuwait have already been democratising for several years. The EU must not confuse regimes' rush to dole out huge subsidies to their restless populations as a genuine commitment to 'reform'. Unfortunately several member states appear minded to do just that.

There are many examples of support for partial reform backfiring. Limited reform was indulged in Kyrgyzstan after the regime was ousted in 2005; this led to ethnic violence and a further bloody regime change in 2010. While donor darling Mozambique has been widely praised for reforms since the civil war, the FRELIMO government has stalled on reforms; a return of instability is an increasing possibility.

**6.** *Don't neglect the dangers of state capture and persistent rentier resource management.* The EU has often supported new democrats even as these have moved in to appropriate control over state resources in the same fashion as the departing regime. A key lesson from other transition experiences is just how easily pernicious state capture occurs in the wake of democratic breakthrough and how democracy promoters repeatedly fail to address the danger. The policy implication is that the EU needs not only to 'back reformers' but quickly to help develop institutional rules that prevent the political sphere (re)colonising state institutions.

The danger of state capture assumes a particularly acute form when related to the rentier dynamics of oil and gas management. Western powers often seek to keep the hydrocarbon sector quarantined from uncertain processes of political change. This merely prolongs the

difficulties of consolidating stable democracy. In Nigeria, pressure for democratisation without parallel transformation of a rentier political economy produced deeply pathological outcomes. Elite-sponsored schemes to cream off the economic dividends of transition have discredited democracy amongst the population and fanned extremism. Windows of reform opportunity in Angola and Azerbaijan have also been scuppered by the failure to reform the nature of political control over oil and gas.

**7.** *Don't securitise democracy-building.* The security establishment needs to be democratised and made subject to strong measures of accountability, even where it appears that this may complicate an army-piloted transition. Experience shows that even where the army provides a genuinely beneficial role in preparing the ground for elections, if pressure for security sector reform is not brought to bear the army can later prove to act against consolidation. In Pakistan, concern with the militant threat has led Western governments to support a form of democratisation within which the security forces retain primary power. This has prevented the government from taking control of security and foreign policy, thereby sapping the legitimacy of civilian rule and fuelling extremist groups. International resources have focused on security-enhancement to the detriment of underlying social injustices that ultimately explain Pakistan's fragility. Western governments have come to realise this, and are shifting priorities, but arguably too late. Very similar temptations are likely to appear in Arab states and must be resisted.

Genuine security concerns arise in democratic transitions. But they are rarely solved by containment-based policies. Where the intertwining of state and security apparatus is not prised apart, instability merely festers and invariably becomes more politically entrenched and endemic. In Mexico and Central America, formal democratic transition was not accompanied by a concerted attack on security sector corruption, urban violence and financial mismanagement – all phenomena that

now blight the region with shocking ferocity and render the advances in political rights less practicably valuable.

**8.** *Don't compound the difficulties of founding elections.* Elections should not be rushed, but nor should their importance be underestimated. It is not enough simply to declare a commitment to supporting new elections in Tunisia, Egypt and elsewhere. The record of electoral support during the last decade is mixed, at best. Providing pre-electoral technical assistance has been shown to be woefully inadequate. Donors have invariably even ended up legitimising manipulated elections. They have failed to support the broader political context shaping the entire electoral cycle. They routinely fail to get to grips with the subtle forms of intimidation and influence that regimes (both incumbent and transitional) exert well before observers are deployed at the polls. A chronic failure to follow up on electoral observation missions regularly undermines the utility of pre-poll technical help. Post-2009 Albania provides a dramatic example. The EU also recently paid for two thirds of the preparations for elections in the Central African Republic and then failed to engage critically when the regime manipulated the poll.

The international community has often judged it wise to be relatively soft on imperfections in a country's first election after democratic breakthrough, for fear of destabilising the new regime. But this can prove a mistake, to the extent that it allows a new elite to load the institutional dice in its favour and can establish electoral blemishes that are harder to reverse later on. Donors also tend to withdraw their support after two elections, taking this to be the point of democratic consolidation, only for an authoritarian pushback to then rear its head.

As European governments and the External Action Service are already sending electoral experts to the region they should be careful not to confuse local choices. There is a long-running debate over the appropriateness of different electoral systems. Proportional representation tends to be better at dislodging the power of a dominant

party. First past-the post constituency systems tend to be better at injecting stability into highly fragmented party systems. Local actors must make the choices over electoral design. Recipients often complain that they are bombarded with technical assistance based around competing systems and that this simply confuses these choices. Some electoral support may be better undertaken by new democracies such as Indonesia or South Africa who have impressive and arguably more relevant experiences in electoral reform than do European countries.

**9.** *Don't forget political parties.* A recurring problem is that donors focus on the state and on civil society but drastically under-fund political society. Political parties form the crucial link between civic organisation and the state. It is already evident in North Africa and the Middle East that there is an urgent need to agglomerate spontaneous civic movements into broad and inclusive political organisations. Despite referring to the importance of supporting the building of political parties, donors in practice always gravitate overwhelmingly to civil society support.

In sub-Saharan Africa, for example, political parties have been seriously over-looked. Parties continue to be dominant (Tanzania), or personalised-ethnic in nature (Kenya) or apparently optional (Uganda). The weakness of the party system today constitutes a barrier to democratic consolidation and stability in Africa, in many cases two decades on from formal transitions.

**10.** *Don't conflate democratisation with Europeanisation.* It may well be that new Arab governments want to adopt some EU rules and regulations. But the EU should not think that the all-encompassing export of the EU acquis will necessarily help democratisation. Recent experience suggests that the tendency to proselytise Europeanisation can be prejudicial to local democratic capacity. The EU has foisted a broad range of its acquis onto Ukraine in recent years but this has failed to temper growing corruption and institutional brittleness.

Some Moldovans complain that the equating of democratisation with Europeanisation militates against a necessary, balanced relationship with Russia. This approach often generates the perception that the EU seeks to 'sell' institutional processes under the guise of 'rule of law' reform that speak more to the interests of European investors than local access to justice.

This entails another, related lesson: don't super-impose templates on traditional structures/identities. Experience suggests that if efforts are not made to incorporate such traditional forms into mainstream democratic and human rights standards they can re-emerge as potent reform-spoilers. In Libya and elsewhere the role of enduring tribal identities is already becoming apparent as state structures collapse. Many traditional forms may be extremely illiberal, but rather than trying to circumvent them donors should bring them into mainstream democracy-building initiatives. Good practice can be found in support for Ghana's second legislative chamber made up of traditional leaders and the role played by tribal chiefs in Botswana.

The need to pursue this inclusion with political Islam, in particular, has already been endlessly repeated by both analysts and diplomats: the new circumstances make it even more necessary to follow through this element of policy. In conceptual terms this engenders a difficult injunction to policy-makers: don't assume that the relationship between democracy and secularism will be exactly the same in the Middle East as in Europe.

This leads on to a final word of caution. Extremely prominent in EU responses to the upheavals is the offer to share with Arab countries European experiences of transitions. This should not be the main pillar of a new EU policy. Our research in FRIDE, recently interviewing recipients of democracy aid across 18 states, reveals that civil society organisations believe strongly that generic training and transition knowledge-sharing produce relatively limited results.

Gauging from our more than seven hundred interviews, Arab civil society groups are likely to prefer meaningful and concrete political backing to confront reform-spoilers over an endless stream of seminars on eastern and southern European transitions. Ministers and policy-makers are already rushing to project European experiences of transition. While in some measure this may be useful, they might better focus finite resources and diplomatic capacity on the areas of policy that are likely to have a more profound influence over the Middle East's future.

# 11. Time for Spain to lead the EU's Mediterranean policy

*Ana Echagüe*

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It is well known that Spain's profile in the Mediterranean has diminished in recent years. It was squeezed to the sidelines by Nicolas Sarkozy's Union for the Mediterranean (UfM) initiative. The Socialist government has been focused primarily on internal challenges since the mid-2000s. This low profile has been disappointing. But in some senses it is a blessing: compared to other member states, Spain may now find itself with greater legitimacy and less negative baggage to lead the EU's rethink in relations with a Middle East and North Africa (MENA) region in revolt.

To play this lead role Spain counts with many assets. But it must fundamentally change its approach to the southern Mediterranean. Spain still tends to see its deeply entrenched interests in and proximity to North African states as reason for caution in support of political reform. Bitter tension dominates debate between the Socialist government and the opposition Partido Popular; but in truth realpolitik thinking dominates *both* main parties – a germane fact given that elections are due early next year.

In light of current events, Spain has every reason of enlightened self-interest to be at the forefront of an enthusiastic European policy backing potential democratisation. So far its response to the upheavals has been ambivalent. But there are a number of opportunities for Spain to play a pro-democracy, leadership role.

## Retraction

Given its privileged relationship with North African states, Spain could and should be at the forefront of European policy towards the MENA region. But judging by its response so far to the recent uprisings it is either unprepared or unwilling to assume such a leadership role.

Spain's official response to events in the region was initially subdued, with pronouncements lagging behind the unfolding events. It took Colonel Qaddafi's savage reprisals against his own population to elicit a reaction from the notoriously domestically-focused President José Luis Rodríguez Zapatero. The timidity and reactive nature of the approach reveal apprehension about future uncertainty and a default position of non-interference.

Spanish officials do not tire of repeating that indigenous political and social forces should lead the process of reform in their own countries - as if such a fact could ever be in dispute. The fact is that Spain's hands-off policy has only really been hands-off in terms of support for democrats and protestors. Spain has traditionally been close to the region's autocrats in an effort to protect its economic interests, to stem potential waves of immigrants and for security considerations.

Foreign minister Trinidad Jimenez claimed that 'intervening in Egypt earlier would have been interfering'. But this is disingenuous. Diplomats' oft-repeated and self-serving argument about Arab societies' weak appetite for freedom has been discredited. If Spain had not coddled

the region kings and dictators for so long, the population might have been able to vent their frustrations earlier and in less violent fashion.

Although Spain was slow to react, it picked up steam once it started advocating for a UN sanctioned no-fly zone in Libya. It has since provided, if not leadership at least solid support for EU positions and for the NATO offensive in Libya. Spanish official rhetoric *ex-post* claims to be firmly on the side of the protesters, at least in the cases of Tunisia and Egypt. Zapatero's and Jimenez's visits to Egypt and Tunisia are touted as proof of such support. Zapatero has claimed that Spain is 'playing a very active role in Tunisia and Egypt beyond the headlines and photo opportunities'. Apparently, former President Felipe Gonzalez has been dispatched as an advisor to the transitional government in Tunisia.

But the fact remains that Spain stood on the sidelines until the autocrats were overthrown and only then became a cheerleader for the process of reform. Such a reactive mode is again justified by its mantra of non-interference. Spain's volte-face in Tunisia and Egypt is made all the more conspicuous by the gushing praise showered on the new regimes. While support is in order for the transition governments, circumspection is required given the lengthy, difficult and reversal-prone processes these countries are embarking on.

The ambivalence in Spain's reaction to the Arab revolts comes at the end of a period of declining Spanish influence over the EU's Mediterranean policy. Spain has been losing influence in the MENA region since the heyday of the Barcelona process. First, the European Neighbourhood Policy diluted the focus on the Mediterranean and transformed Spain from a policy-driver to a policy-recipient. Then came the lacklustre 10$^{th}$ anniversary of the Barcelona process in 2005. Finally, France upstaged Spain and other member states by forcing through the Union for the Mediterranean (UfM), despite nobody in the rest of Europe thinking president Sarkozy's initiative was a good idea.

Spain did successfully lobby to grant its privileged partner Morocco an 'advanced status' and fought to have the UfM secretariat based in Barcelona. But big on symbolic coups, it has been slow to imbue these moves with any substance. This mirrors the critique frequently made against the Zapatero-instigated Alliance of Civilisations. EU neighbourhood policies have been so depreciated by easy agreements and concessions that 'advanced status' has become no more than a symbolic gesture. The UfM secretariat stands headless and paralysed, scandalously inactive amidst historic change in the region it is supposed to cover. Spain has played more than its share in bringing about these lamentable outcomes.

### Short term expediency

Spain's lack of leadership is hard to justify in terms of objective trends and interests. Many Spanish foreign policy interests are concentrated in the region. The Mediterranean is an increasingly important source of energy for Spain. Nearly a third of its gas imports come from Algeria. Although the MENA is not as important in terms of investment and trade as the official stance might suggest (accounting for around four per cent of Spanish trade flows), Spain's economic exposure to the region is still much greater than for most of the EU. The region also germinates a series of sensitive issues such as fishing, agricultural products and textiles.

Morocco is the clear priority for Spanish interests. Policy towards the country is constrained by fear of immigration, Islamist terrorism and close ties to the monarchy. Since the outbreak of the current revolts, both Zapatero and Trinidad Jimenez have been at pains to stress that Morocco is different - a country where 'the reform process was initiated many years ago.' Spain successfully lobbied to include a positive reference to Morocco's announced constitutional reform in the declaration adopted at the Extraordinary European Council on March 11.

But giving Morocco a free pass might not be in Spain's long term interests. Short-term expediency in order to safeguard investments and security interests merely displaces fundamental changes which will eventually have to take place. Similar praise has been showered on Jordan, with Jimenez going so far as to state that 'The King is the most reformist of all'. Spanish officials defend these two countries as comparatively better than their neighbours and point to active parliaments and elections as proof. But despite a reformist veneer these countries are in fact not as different as Spain likes to believe.

Lavishing praise on Morocco and Jordan, and backing the new regimes in Tunisia and Egypt after the fact, is easy. But the Gulf encompasses a whole new set of strategic and economic dilemmas. Officials argue that Spain supports the same values in the Gulf region but within a different timeframe. The Gulf is important for Spain in terms of the stability of energy markets and its effects on the international economy. Spain fears that if change occurs too fast here it could have profoundly destabilising effects on the world economy and international security. Of course, silence on the Gulf is the norm for most EU member states as they race to compete for lucrative infrastructure projects that have opened up through the Gulf regimes' massive subsidy programmes.

President Zapatero visited Qatar and the United Arab Emirates at the end of February 2011 in search of economic backing for Spain's faltering economy. King Juan Carlos attended Kuwait's 50th anniversary of its independence at the end of February and is known to have made calls the Bahraini and Saudi monarchs. Foreign Minister Jimenez has even voiced support for the presence of Peninsula Shield troops in Bahrain.

Syria and Yemen have barely merited a reference, except for Jimenez's ill timed visit in mid-March to Syria in which she meet with Bashar Al Assad and stated that she was confident he would undertake reforms.

Spain has always made efforts to maintain a privileged relationship with the Syrian regime as a means of playing a balancing role in the Middle East and in order to have a card to play vis-a-vis the US.

Spanish officials are ardent defenders of the premise that each country has, in what is now the stock government phrase, 'a different rhythm of reforms'. This and a policy of non-interference still provide a convenient cover for continuing business as usual.

## Time for leadership

In some ways, Spain has the most to gain from successful transitions. While working through EU institutions, Spain should strive for a leadership role reflecting its privileged relationship with North African states. Italy cannot see beyond the spectre of waves of immigrants flooding it shores. Although Nicolas Sarkozy is already presenting himself as the defender of Arab democracy movements, France has more baggage in the region. It is Spain's chance to shine. But can it regain the leadership it carved out through the Barcelona process?

Spanish policy makers realise that the current juncture offers an opportunity for Spain to recoup some lost influence. But they continue to articulate this possibility in terms of improving commercial and investment ties in the region. Despite Europeanising significantly, Spanish policy is in places still focused on narrowly-defined national interests. Spain should define its broad strategic goals and focus on core foreign policy priorities beyond trade and security. Commercial ties and investment opportunities should be embedded within a broader strategy. A coherent national policy, which transcends party politics, will help ensure Spain's relevance in European and international institutions. Pursuing bilateral commercial and financial interests does not preclude the promotion of an EU-based policy which encourages political and economic reform. But it will require putting

some real substance behind Spain's stated principles of democracy and multilateralism. Immediate trade and security interests might be served by collusion with dictators, but ultimately they only provide an illusory stability. Spain should no longer hide behind narrow conceptions of human rights in order to justify a lack of involvement, while uploading difficult values-based issues to the EU level.

Štefan Füle, Commissioner for Enlargement and European Neighbourhood Policy, has put his weight behind the Union for the Mediterranean. He says this 'has the potential to make a real difference'. If the UfM is indeed going to get a second lease of life, Spain should take advantage to turn it into something useful, beyond a set of programmatic and depoliticised projects which can't seem to get off the ground.

In May the EU will present its review of the ENP. The revamped ENP should make explicit what political and economic reforms are desirable and what the EU is willing to offer in exchange. Clearly opening up markets to agricultural products and easing visa regimes will have to be part of the equation. These are the greatest incentives for the Southern Mediterranean states. Calling for a Marshall Plan for the North of Africa is fine, but throwing money at the problem is not enough. Demanding a reallocation of funds from east to south is not reasonable either. Offering what are painful concessions for the EU would justify a policy of conditionality, which up to now has been hollow. This will be politically difficult and will require a willingness to sacrifice short term benefits for long term objectives. Implementation will require leadership and vision.

Spain has placed its bets on Tunisia. It believes that this country should be the EU's immediate objective as it is small and the odds for a successful transition are greater. Once democratic consolidation is achieved it could serve as a model for the region. But a successful outcome of the political reform process should not be taken for

granted. A slide into chaos followed by a reversal into authoritarianism is still possible. In Tunisia, but also in Egypt, there is a special need to be vigilant and to factor in a long-term commitment. Support and pressure will be required for a long period of time. The governments must be held to their promises to be inclusive and transparent in organising the transition to a democracy. Egypt's legislative elections are due in September and presidential elections will take place before the end of the year. Tunisia will hold constituent assembly elections in July. There is great demand for technical assistance on how to organise parties and run campaigns. Spain must make funding generously available if it hopes to lead EU debates. While domestic finances are stretched, this makes good long-term sense for Spain's own interests. Trying merely to divert Commission money from the east to the south is not an enlightened strategy.

Heightened international concern over the potential high-jacking of the processes by Islamists makes it imperative for Spain and the rest of the EU to remain level-headed and provide assistance to all players on an equal basis. Attempts to try and boost secular parties to the detriment of Islamists will inevitably backfire. Spain has long proclaimed a need to understand and integrate Islamists; this is the time for it to demonstrate this in practice and convince other, still more cautious member states that political Islam has to be included not contained.

Spain should also set an example in terms of migration. Rather than bullying Tunisia into taking 'strong and clear' action to prevent its citizens from leaving for Europe, as Commission president José Manuel Barroso has done, Spain should strive for an orderly management of migration that is not overly-securitised and is carried out within a framework of shared responsibility and co-operation with the countries of origin, transit and destination. This should obviously be accompanied by financial support for the development of the country of origin. Migration played a key role

in Spain's development. In a very short time, Spain has gone from being a country that generated emigrants to a country that receives immigrants. This has contributed to a positive record in terms of the integration of its migrant population and a more nuanced response to dealing with migratory pressures. Spain must now capitalise on this to influence EU policy in the same direction; it would gain huge credibility in the MENA region if it did so.

Perhaps most obviously, a more far-sighted view on trade will also be required. Spain should lead the way by showing that it is willing to offer true (and domestically sensitive) incentives such as visa facilitation and agricultural trade liberalisation which so far have not been on offer in the region. In the run up to the 2012 election, this would be a courageous step to take. But if Spain fails to temper its trade protectionism it cannot possibly aspire to lead the EU in meeting Arab aspirations.

A rethink is needed on the whole relationship between economic and political reform. Inevitably, given the sensitivity of the Southern Mediterranean states to intromission in their political affairs, EU cooperation has been skewed towards the less sensitive economic realm. But recent events have proven that this is not a sufficient strategy. As it has been one of the most ardent defenders of the 'modernisation' approach, Spain will need to reflect hard on the need for a fundamentally more political strategy.

Most importantly, Spanish politicians still need to register the fact that 'more of the same' is not enough. As new policies such as the 'Partnership for Democracy and Shared Prosperity with the Southern Mediterranean' are proposed or old ones such as the European Neighbourhood Policy are revamped, it is worth noting that they are all variations on a theme. Most 'new' ideas now proposed were already part of the original Euro-Mediterranean Partnership (EMP). The EMP focused on region-building, the ENP favoured bilateral action plans

and the new Partnership talks about an incentive-based, differentiated approach. But all include political and economic reform elements, alongside civil society support and cultural and educational exchanges.

Whether phrased in terms of 'more for more' or differentiation or conditionality, ultimately support for reform is a matter of political will. Elements of conditionality and incentives have always been part of policy; they just have never been implemented or appropriately formulated. The problem has not been so much policy design but rather its implementation. It remains an open question whether the necessary gear change in Spanish political will is immanent.

# 12. France and the Arab Spring: an opportunistic quest for influence

*Barah Mikaïl*

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Since the onset of popular upheavals across the Middle East and North Africa (MENA), French President Nicolas Sarkozy has sought to position France as a regional leader. Most notably, France's lead on NATO's military intervention in Libya marked a turning point in French policies in the region. Yet France's attempts to project itself as defender of an ethical foreign policy in the MENA meet scepticism.

France claims to have made a qualitative shift in its foreign policy. Portraying itself as a force for good in the Mediterranean, it aims to regain its long-lost regional leadership. Yet the changes remain largely superficial, focusing on discourse rather than concrete goals.

Sarkozy's actions have reflected his opportunistic attitude as opposed to genuine concern for humanitarian considerations. He has traditionally proved willing to collaborate with autocrats when it has coincided with his country's interests, but equally quick to abandon them when events have corresponded to wider regional changes in popular demands.

**The Union for the Mediterranean debacle**

Before becoming president, Sarkozy had made it clear that he aspired to a greater leadership role for France at both the regional and international levels. To achieve this, Sarkozy often chose individual leadership over the soft power of multilateral diplomacy. While former President François Mitterrand had promoted strong relations and tight cooperation with Germany, and Jacques Chirac had expounded the benefits of a multilateral world, Sarkozy chose to act on his own. But as his presidency advanced, the lack of coordination with his European partners frustrated them, most notably Germany.

The Union for the Mediterranean was the most unsuccessful of Sarkozy's initiatives to revive French leadership in the Mediterranean. Despite his nominal claims to a valuebased foreign policy, the UfM spectacularly failed to address the issue of human rights in MENA states.

Revamping the stalled Barcelona Process – the EU's multilateral policy framework in the Mediterranean – became a personal project for Sarkozy. Following an initial high profile launch in Paris, which was widely considered a diplomatic success for the French, the UfM suffered from over-ambition. The French President was unable to convince some of his counterparts to sign up to his ideas for a political union, namely Germany's Angela Merkel, Algeria's Mohammad Bouteflika, Libya's Moammar Gaddafi and Syria's Bashar al-Assad.

Both sides of the Mediterranean reacted coolly towards Sarkozy's UfM project. Most importantly, however, the UfM was perceived by critics not as a European or Euro-Mediterranean but as a French, 'Sarkozian' project, and as such, an attempt to institutionalise French domination of the Euro-Mediterranean agenda. As Sarkozy ignored the divergent preferences of both his EU and Arab partners, neither European nor Southern Mediterranean states ultimately proved ready

to believe in, invest in, or pursue his project. Despite being aimed at strengthening Euro-Mediterranean relations, the UfM ultimately highlighted France's and the EU's weaknesses.

## France and the Arab Spring

Sarkozy's opportunism and regional leadership aspirations have come to the forefront again in the wake of the 2011 MENA upheavals as he has sought to position himself as the implicit leader of European diplomacy, highlighting France's capacities in the region compared to its European counterparts.

Sarkozy's realpolitik in the Southern Mediterranean became unsustainable when Tunisia's Ben Ali and Egypt's Hosni Mubarak were ousted in the early spring of 2011. Both cases were particularly sensitive for France, as Ben Ali and Mubarak ranked amongst the country's closest allies. This partly explains France's backing of Ben Ali when Tunisian demonstrators were demanding his removal; and the lack of French solidarity with protestors during similar demonstrations against Hosni Mubarak. The French government's posture towards the Tunisian protests turned into a PR disaster, leading to the resignation of then Foreign Minister Michelle Alliot-Marie. As Sarkozy admitted later, France had at this point underestimated the significance of the protests.

Sarkozy again demonstrated his fickleness when anti-regime protests grew stronger in Libya. He shifted his unquestioning support for Gaddafi towards a firm backing of the rebels, becoming the first foreign head of state to recognise the Transitional National Council (TNC) as the legitimate governing authority of Libya.

However, in contrast, demonstrations in Algeria and Morocco engendered only mild reactions from the French President. France

kept a discreet distance from events and adopted a timid stance: in mid-February 2011, French MFA spokesman Bernard Valero stated that 'what is important from our point of view is the respect for freedom of expression and the possibility for demonstrations to be organised freely and without violence'. When Algeria subsequently announced its own agenda of reforms, Alain Juppé congratulated President Bouteflika for this process: 'all of this is following the right direction'. France maintained this vague and uncritical tone during Juppé's official visit to Algeria in June 2011, which avoided any specific mention of the protests.

In Morocco, when waves of protests rippled through the streets of Rabat in late February, the French government proved equally reluctant overtly to criticise the Moroccan regime. The lack of criticism of Morocco can partly be attributed to France's traditionally warmer relations with Morocco than with Algeria. King Mohammed VI's reputation as a 'moderate' and his diplomacy with Western countries were also contributing factors.

France's stance towards Bahrain also illustrated its inconsistent support for human rights. Its initial reaction to the regime violence against protestors was to suspend exports to Bahrain (including the selling of anti-riot equipment and gear). Since then however, France has limited itself to official statements which assert its 'concern' over events, the need to end violence, and its desire for controlled change.

Saudi Arabia's implicit influence is also discernable in French reactions to events in Yemen. One of the first to react, the French MFA initially stated strongly that 'the excessive use of force' against demonstrators was unacceptable; 'the authors of such violence should be pursued'; and President Ali Abdullah Saleh should implement his proposals for reforms. Paris also pushed for EU sanctions. Yet two months later, when Saleh refused to sign a text that could initiate a transitional period for his country, France merely deemed his behaviour 'irresponsible and unacceptable'. France's initial heavily

vocal stance against the regime's brutal repression of protestors subsequently became more restrained.

At the European level, Sarkozy officially advocated a more prominent role for the EU in the MENA, and echoed EU statements on the region's events. However, this was done in a way designed to back up French national initiatives.

French policy is still reactive, devoid of long-term vision and overly expedient in its use of the EU level. Sarkozy's repeated forays into unilateralism in the context of the Arab Spring are not helping the EU or France. The lack of internal EU cohesion and coordination must be overcome for effective European leadership to take root.

### A switch to idealism?

Sarkozy's successive shifts of attitude from pro-democracy (2007) to pro-realism (2008) and back to pro-democracy (2011) reflect his strong pragmatism, realism and opportunism. Before his election in 2007, Sarkozy repeatedly voiced his desire to be known as 'the human rights president'. He also made it clear that he did not believe in 'the realpolitik that makes people give up values without winning contracts'. France had a duty to defend its principles.

But paradoxically, Sarkozy's approach and actions have weakened his country's standing in the region. In 2007, when former President Jacques Chirac ended his second term, France enjoyed a positive image in the MENA region, thanks to Chirac's pro-Palestinian convictions and his opposition to the invasion of Iraq in 2003. Although Sarkozy came to power insisting on the need for an EU-MENA rapprochement and a distancing from American standpoints, this view did not prosper beyond the rhetoric. As a result, France's traditional diplomacy in the Middle East and North Africa found itself handicapped.

The Arab Spring underlined some of France's inconsistencies. Initially supporting Ben Ali and Mubarak undermined France's image as 'the mother country of human rights', while praising Morocco and keeping silent on Algeria contradicted its official attachment to political openness and strong reforms in the region. Finally, Sarkozy's stance on migration issues, including the closing of its borders with Italy to avoid the entrance of refugees, showed that the President was prepared to dissociate himself from his close counterparts, even if at the EU's expense.

The 2011 events in the MENA have only confirmed the balance of power that previously prevailed between influential international actors. Arab governments have traditionally preferred securing the backing of the US, rather than merely relying on the military arsenals of Russia and China. The latter two have failed to lure various Arab states away from US monopoly. Although France kick-started the recent military operations in Libya, the United States ultimately led the strategy before handing over to NATO. France found itself obliged to tow the American line. Sarkozy avoided expressing overt criticism since he believed in the advantages of intervention in Libya and expected successful operations to reflect France's assertiveness amid EU hesitation. The Arab Spring has proved how difficult it is for France to offer capacities which it does not really have.

## Why France cannot lead unilaterally

Sarkozy's grand projects have so far failed to achieve their aims in France's southern neighbourhood. In the last five years, France's unilateral initiatives have been continually rebuffed. The attempt to revive Euro-Mediterranean relations under French leadership via the Union for the Mediterranean was unsuccessful. Another blow came with Israel's 'Operation Cast Lead' against the Gaza Strip in early 2008. Seeking a way out of the diplomatic deadlock facing the EU, Sarkozy

embarked on a tour of several Middle Eastern countries, including Syria, in order to convince their leaders to exert pressure on Hamas to stop its rocket attacks on Israel. They rebuffed his demands, and the Israelis refused his request to end or even diminish their actions against the Gaza Strip.

The success of French trade and investment in the MENA contrasts with the country's limited diplomatic performance in the region. Political relations have not kept up with the fast pace at which France has developed commercial ties with MENA countries. In North Africa, France remains Morocco's first commercial partner. Tunisia also ranks among France's privileged partners in the MENA, with an average of 90 million euros of foreign direct investment (FDI) per year. France's FDI in Algeria doubled in the past decade to 220 million euros in 2009. Nicolas Sarkozy's recent decision to appoint former Prime Minister Jean-Pierre Raffarin as France's special envoy for the promotion of economic cooperation between the two countries is also a step forward. Yet in all these cases, France has struggled to wield any greater influence at the political level.

Political ties also lag behind economic relations between France and the Gulf countries. Saudi Arabia is one of France's major commercial partners primarily due to French sales of Airbus planes to the Kingdom. Yet the Saudis do not consider France a political partner as important as the US or China. France is only the tenth most important supplier of the United Arab Emirates, far behind China (first), Germany (fourth), the United Kingdom (sixth) and Italy (eighth). Indeed, France's relations with the UAE focus on cultural and educational fields, not economics. The same is true of its relations with Qatar, Bahrain and Kuwait.

All this demonstrates that France will only be able to achieve meaningful political results in its Mediterranean diplomacy if it acts in coordination with its EU partners. The pursuit of different

and sometimes contradictory agendas amongst EU member states, combined with the EU's tendency to plan policies without taking into account available military resources, has made it hard for the Europeans to rally behind a clear, single agenda on the Arab Spring, and most notably Libya.

## Conclusion

The apparent shift in France's policies towards its Southern Mediterranean neighbours in the wake of the Arab Spring has been more superficial than substantive. Sarkozy's aspirations to restore France's geopolitical weight in the MENA, fuelled by his desire to maximise his chances of re-election in 2012, have if anything strengthened the French government's unprincipled unilateralism, to the detriment of any prospective effective multilateralism under EU leadership. The Libyan intervention is now presented as a success, but even here it remains to be seen if over the long, institution-building phase France can exert significant influence.

Paris should continue to build its own network in the region, but avoid acting alone. The more France contributes initiatives, advice and resources to the EU as a whole, the more it will be able to strengthen its position as one of the key architects of EU foreign policy.

France should seek to strengthen the EU's political position through member state cohesion. France's traditional influence in the MENA should be converted into a positive asset for the EU as a whole. It should undertake its political and economic investment in the MENA as part of an overarching EU strategy.

Paris must develop relations with every possible partner in the region (whether officially or unofficially) especially in the context of the ongoing Arab Spring. One of the French government's main handicaps

to date has been its disconnect from certain essential segments of MENA civil society (namely Hamas and, to a certain degree, Hezbollah). This has restricted France's potential for engagement in the region, as seen when France tried to open a channel of debate with Hamas in the wake of Israel's 2008 Gaza siege. By dealing openly and pragmatically with all actors, France would enhance its chances of playing the honest and active broker between some of MENA's traditional enemies.

The statements released by France regarding the ongoing MENA uprisings should be both more coherent and more consistent. France runs the risk of acquiring a reputation for hypocrisy if it criticises certain states for their lack of reform whilst praising the symbolic window-dressing of others. France does not want to repeat its dealings with the Tunisian and Egyptian uprisings, coming out in support of soon-to-be-toppled dictators. If it applies the same criteria to all leaders of the region and develops arguments based on common principles, France will be more respected at the European level and in the MENA region. It will also be more likely to gain the popular support of civil society which is already shaping the region's future.

# 13. The UK in the Middle East: commercial diplomacy to what end?

*Hélène Michou*

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The 'Arab Spring' has been the British coalition government's first major foreign policy test. Challenges and expectations on both shores are enormous. How can it support processes of political transition in line with core values whilst facing economic austerity at home? Blinkered by a decade of involvement in Iraq and Afghanistan, overly Gulf-centred and heavily bilateral, British foreign policy in the Middle East and North Africa (MENA) is in a process of reappraisal. This reappraisal must lead to a consistent narrative of support for political and economic reform in line with EU policy approaches.

On the one hand, the UK's response to the Arab Spring so far has been less ambivalent than other member states. Britain has led in demanding economic sanctions, freezing assets, and implementing NATO-coordinated operations in Libya. Soft power initiatives such as the 'Arab Partnership' are laudable approaches, though funding levels, and hence impact potential, remain limited. In order to maximise impact in a region vital to its energy, export and security interests, the

UK should seek to feed its experience of decades of bilateral relations with the Gulf countries into the revision of broader EU policies that aim to support political transitions.

On the other hand, the UK is subject to increasing scrutiny for its role in selling weapons to repressive regimes. Faced with an image problem, the UK is seeking to portray its lucrative trade relations with the Gulf as part of Prime Minister David Cameron's 'commercial diplomacy' approach to foreign policy. The government argues that Britain's national security interests are best served through commercial cooperation with strategic political partners. In trying to find the right tone for British foreign policy as popular uprisings spread across the MENA, Cameron has oscillated from realism to idealism, a balancing act mirroring the Conservative-Liberal Democrat coalition he leads. The result, 'muscular liberalism', is a foreign policy more pragmatic than that of the Blair-Brown years, but not entirely distinct. Cultivating bilateral relations in the 'networked world' is essential to avoid what Foreign Secretary William Hague terms 'strategic shrinkage'. Yet economic austerity at home, political sidelining at the EU level, and new players vying for influence in the MENA risk widening the discord between Britain's determination and ability to do so.

## Is bilateralism better suited to supporting Arab reform?

Nobody expected the Foreign and Commonwealth Office (FCO) to foresee the 2011 uprisings in the Arab World. However, parliamentary inquiries into the matter since have shown an FCO unable to see beyond the status quo, mired in ideological fixations, and with limited sources of information. According to a former FCO minister, 'the world of Whitehall was fairly blind to the imminence of change', unwilling to consider the activities of intellectuals, journalists and youths as indicators of shifting popular moods. Whilst the FCO claims to have adjusted its approach to reflect lessons so far, initiatives do

not match the scale of changes across the MENA. The government's flagship policy instrument, the Arab Partnership (AP), announced in February 2011, is a good example of soft power projection in a region sensitive to foreign meddling. However, this joint FCO-DFID initiative's limited budget (£110 million [€132 million] over four years) prevents it from becoming a game-changer. Instead, the 50 projects approved to date are modest, bilateral initiatives which complement multilateral initiatives launched by the EU such as the Arab SPRING programme, the Civil Society Fund and the European Endowment for Democracy. In contrast to the EU opening a new office in Benghazi, DFID's closure of regional offices reflects the cuts in foreign aid made by the Coalition. Across the 22 Arab states, the UK's development agency now only keeps offices in Iraq, Yemen, Sudan and the Occupied Palestinian Territories (OPTs).

The UK has increased aid to Tunisia and Egypt, unfrozen assets belonging to ousted dictators, and deepened bilateral relations with long-term trading partners. Such laudable measures, however, do not equate to a reorientation of policy priorities. Indeed, clampdowns from autocratic monarchies in Qatar, Saudi Arabia, Oman and Bahrain were met with little more than verbal reprimands. Even conceding that foreign policy is hardly ever disinterested, Cameron should be cautious of this double-tiered approach. British diplomacy in the Gulf continues to prioritise relations with the ruling families, commercial elites and large state-owned enterprises. In contrast to Tunisia or Egypt, in the Gulf the British government has not explicitly called for the release of those arrested during peaceful political activities, and is reticent to support reformists within governments. In a speech before the Kuwaiti Parliament, Cameron acknowledged that the UK had previously got the balance between values and interests wrong. However, representatives from the UK's business sector claim that 'moral interests are part of our material interests'. Reconciling the two approaches presents a chance to realign British foreign policy in light of the Arab Spring.

There is a misconception in the FCO that British efforts to help processes of democratic transition across the MENA will be slowed by pursuing European-administered avenues of cooperation. Eurosceptically, Hague cautions against 'outsourcing' British foreign policy to the European External Action Service (EEAS). The same aversion to so-called 'competence creep' by EEAS officials is evident in the reluctance expressed by the UK towards Bernardino Leon's appointment as EU Special Envoy for the Southern Mediterranean – not so much to the man himself, as to his mandate covering the Gulf. Within the EEAS, the UK is seen as unhelpful at times, obstructive at others.

In spite of all contradictions, British and EU support to MENA uprisings share a number of common features. Both claim to promote a demand-led, inclusive approach, and caution against one-size-fits-all solutions. Both have expressed a certain degree of mea culpa in support for authoritarian regimes, and now push for more effective conditionality. For common aims to be achieved, it is vital that they are pursued through multilateral policy frameworks, such as the revised European Neighbourhood Policy (ENP), rather than remaining at the level of bilateral initiatives alone. Similarly, member states pursuing bilateral polices risk harming EU policy coherence. In Libya, some EU member states resented the Anglo-French 'takeover' of defence policy. Others however recognised that these were the only two member states with the military capacity to lead NATO operations. Indeed, the unprecedented defence pact signed between Cameron and Sarkozy in November 2010 shows that neither intends to see this power watered down by EU institutions. Both countries were rewarded for their efforts in Libya with privileged access to oil contracts for Shell, BP, Eni and Total.

Labour's shadow defence secretary Jim Murray stated at the outset of the Arab Spring that the experiences of Iraq and Afghanistan risked inducing 'a state of ambivalence' in British foreign policy. He warns

that despite sustained beliefs in its core values, the UK is no longer as willing to stand up for them abroad. The criteria outlined for intervention in Libya ('demonstrable need', 'regional support' and 'a clear legal base') show an attempt to learn from Blair's errors in Iraq and engage in what Deputy PM Nick Clegg terms 'law-abiding liberal interventionism'. Although involvement in Iraq augurs caution, the Arab Spring demands action.

It remains to be seen which direction Anglo-French leadership will take regarding Syria. The UK has to date been a driving force in pushing for sanctions against the Syrian regime. Yet compared to France which is calling for setting up humanitarian corridors, the UK is anxious to keep its footprint light, announcing £2 million [€2.4million] in humanitarian assistance to those suffering from the regime's brutal repression. At the time of writing, both states had just announced the closure of their embassies in Damascus. Given the apparent staying power of the Syrian regime, cutting off any remaining diplomatic alternatives is a risky trajectory. Hague stated in February 2012 that the UK would play 'a very active role' in the so-called Friends of Syria Group. Will the messy legacy of British involvement in Iraq and Afghanistan dampen Cameron's newfound post-Libya support for pragmatic interventionism?

## Supporting Arab reform in times of austerity

From the start of his tenure, Cameron has explicitly sought to place commercial diplomacy at the heart of British foreign policy. Facing economic austerity at home, the Coalition's stated goals are reinvigorating Britain's bilateral relationships abroad and giving international engagement a commercial focus. Closer engagement with China, a strengthened relationship with India, and renewed ties with South-East Asia and the Gulf are all elements of a gradual move away from the Atlanticist vision that characterised the Blair-Brown years.

FCO regional officers have seen their mandates expand to include a new hard sell of Britain and its products. This mercantilist approach has earned criticisms of excessive bilateralism, strategic incoherence and hypocrisy.

Shadow foreign secretary Douglas Alexander has accused Cameron of confusing foreign policy with trade policy. This is especially the case in the Gulf, a hub of lucrative trade relations which is home to a significant offshore banking industry with close connections to the City, and whose governments are major buyers of British arms. UK defence exports are worth £7.2bn [€8.7bn] a year, half of which are sold to the Middle East. Claims by the PM and the Defence Secretary that small Gulf States cannot produce all their own means of defence are a weak riposte to such criticism. Messages of reform to dictators sit uncomfortably alongside sales pitches. Cameron's ill-timed trip to the Gulf in early 2011, just as popular uprisings were spreading, was unconvincingly disguised as a democracy tour. In his January 2011 speech to Kuwait's National Assembly, marking half a century of independence from the UK, he declared that 'we stand today with the people and governments who are on the side of justice, the rule of law and freedom'. It remained unclear, however, whether the 'we' referred to Britain or to the delegation of 36 business leaders, defence contractors and arms exporters accompanying him.

Cameron's visit to Saudi Arabia at the start of this year also sits oddly with declarations of support for democracy. He discussed Iran and Syria with an authoritarian regime which has been involved in crushing protests in not only its own – oil-rich and Shia-dominant – eastern provinces, but also in neighbouring Bahrain (using British-made armoured vehicles to do so). The benefits of a solid relationship with Saudi Arabia for the UK are clear: trade with the Kingdom is worth £15bn [€18bn] a year and Saudi has a hefty £62bn [€75bn] invested in the UK economy. Yet Amnesty International campaigners have accused the British government of treating human rights as 'a tick

in the box', rather than raising specific concerns such as the right to peaceful public assembly, which remains illegal.

Since the Arab Spring, public pressure and critical Parliamentary reports have forced the British government to re-examine some of its contracts selling arms to repressive regimes. In April 2011, the Committee on Arms Export Controls concluded that 'both the present government and its predecessor misjudged the risk that arms approved for export to certain authoritarian countries in the MENA might be used for internal repression'. The government has revoked 44 arms export licenses for Bahrain and eight licences for Libya. Nonetheless, British companies including BAE Systems, Chemring, Primetake, BCB International, Thales UK, Toye, and Kenning&Spencer continue to export arms to countries with proven human rights abuses against civilian protesters. Whilst categorically cancelling defence contracts is unreasonable given the economic climate, the UK must push for tighter adherence to existing arms export guidelines, and a revision of the government licensing system managed by Strategic Export Controls. Current codes state that licences will only be granted if the importer country can meet certain conditions including respect of human rights and fundamental freedoms and the preservation of regional peace, security and stability.

Despite this and in the face of increased scrutiny from MPs and civil society groups such as the Campaign Against Arms Trade (CAAT), arms fairs were business as usual in 2011. The UK resisted calls to withdraw from Idex 2011 in Abu Dhabi, the Middle East's biggest arms fair. The London arms fair (officially the DSEi – Defence and Security Equipment International) receives major support from the UK government, namely through a unit of UK Trade and Investment (UKTI), part of Vince Cable's Department for Business. Critics claim that UKTI DSO (Defence and Security Organisation) exists to promote British arms sales and lambast Cable as a 'pimp to the arms trade'. Ironically, prior to his appointment to government, Cable was

himself a critic of Britain's support for arms exports. The UK-based CAAT expresses its disgust at the current Coalition: 'The Arab Spring was an inconvenience but now it is back to business as usual. While the government professes to welcome new democratic movements, they continue to licence weapons sales to the same governments that brutally suppress them.'

While the arms trade attracts much attention as a particularly controversial chapter of commercial diplomacy in the MENA, associating the latter exclusively with arms deals would not do justice to the full scope of Britain's trading relationships. As the largest foreign investor in Egypt, and an important trade partner for Libya and Tunisia, it has vested interests in successful political transitions. Commitments across MENA states in energy, education, healthcare, pharmaceuticals and construction amongst other sectors should help provide leverage in assisting such processes of transition. As other powers worldwide wake up to the trade and investment potential of the Gulf states, it is time that Britain cashes in on years of engagement with its partners in that region. As Britain struggles to keep up with the Arab Spring, and the Gulf monarchies struggle to keep it at bay, neither can afford to downgrade their strategic relationship.

## Next steps for Britain and the EU

The ongoing events across the MENA require a radical reappraisal of UK policy towards region. How to reconcile Cameron's vision of 'a future that is rich in prosperity, strong in defence, and open in its handling and pursuit of political and economic reform' with economic austerity at home, political sidelining at a European level, and decreasing influence at a global level, will be a tough challenge. Britain's role as one of Europe's traditional leaders may well have been irreparably damaged as a result of its position as bystander to Europe's sovereign debt crisis. It remains to be seen to what extent the UK's

fiscal sidelining will contribute to an overall neglect of British interests and priorities with the EU.

A recent meeting between Cameron and Sarkozy suggests that despite their spats over the euro, France and the United Kingdom do not intend to lessen their geopolitical relationship. Similarly, pursuing policy alongside its European partners should not be seen as an inhibiting factor, or an encroachment onto traditionally British-centred Gulf interests. According to the Minister for Europe David Lidington, Iran is a key example of how the UK can harness the collective weight of EU members to promote its own prosperity and security. Solidarity amongst EU states in supporting further sanctions on Iran has enabled the UK to reaffirm its 'twin track approach of pressure and engagement'. Similarly, just as Hague has declared that the EEAS should draw on the expertise of the Foreign Office, so must the FCO be prepared to overlook a certain degree of 'competence creep' for the benefit of drawing on the perhaps more nuanced thinking of EEAS officials.

As Cameron recognised in his Kuwait speech, Britain needs to be 'optimistic about the possibilities and honest about the challenges it is facing in the Middle East'. Indeed, it is in the Gulf that Britain must seek to lead by example. The Arab Spring has reinforced the moral imperative for long-standing partners of Gulf States to push for economic, social and political reform. Pay-outs by autocratic monarchies will not solve systemic corruption, nepotism and limited political participation. Complicity by Britain with its Gulf allies in deferring such reforms will only further stoke the next time-bomb, suggesting Britain has learned nothing from the 2011 uprisings.

Reconciling the conflict of interest between commercial diplomacy and support for democracy is the crux of British involvement in the Middle East. Touring the region with trade delegations and arms manufacturers risks cancelling out the positive impact of soft power

initiatives. The UK should also promote technical assistance for SMEs that operate in the grey economy, support for start-ups, and entrepreneurial exchanges. Whilst to date the US has been heavily involved in election support in processes of political transition, the UK should seek to build on its involvement in the justice sector. For instance, challenging the use of military courts, and encouraging states to ratify the Convention Against Torture, would show tangible commitment to the UK's core values. Cooperation with European and regional counterparts is the most effective way for the reconciliation of values and interests in British foreign policy, and for a financially hamstrung UK to support processes of political transition. Whilst the Coalition cannot be expected to pursue a disinterested foreign policy, neither should the term 'commercial diplomacy' become a mere euphemism for a zero-sum vision.

# 14. The EU and the Arab Spring: from munificence to geo-strategy

*Richard Youngs*

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For all the fears over potential instability and less amenable governments taking office, political change in the Middle East and North Africa (MENA) is good news for Europe. The EU is right to set the deepening of Arab reform as a key objective. Many admirable new European policy initiatives have been introduced offering support for Arab reform. The recently-held inaugural EU task force meeting on Tunisia produced an impressive list of assistance projects. But emerging dynamics in the region suggest that over the longer-term the EU will also require a fundamentally more strategic approach. Much more is needed than the current plethora of small-scale transition-related projects. A paradigm shift is called for: from the EU endlessly reiterating the responsibility it has to help MENA reforms to a more hard-headed look at how Europe needs to reposition itself geo-strategically in light of changes in the region.

With the anniversary of the Tunisian revolt not far over the horizon, the next step is for an evolving EU policy to move onto this new paradigm. Some astutely forward-looking policy-makers in

the European External Action Service (EEAS) and national foreign ministries do show signs of wanting to move policy in this direction. What follows below is a series of suggestions that might contribute towards thinking on this more strategic outlook.

## The unwanted?

One refrain is routinely and somewhat ritually now repeated: Arab protests are in the name of freedom *from* the West and not in aspiration of joining a 'Western project'. This apparently fundamental difference with previous transition waves, especially in southern and then eastern Europe, is now frequently noted. The same point of view has been forwarded even by the most prominent of Libyan writers and intellectuals, after six months of British- and French-led commitment in this country. The rather stage-managed reception given to David Cameron and Nicolas Sarkozy in Tripoli in September cannot mask the fact that autonomy has been the leitmotif of uprisings across the MENA region.

While policy-makers have outwardly taken this observation on board, there is a growing mismatch between European and Arab perspectives on EU-MENA relations. In Europe the focus is on how the EU should be doing more to foster genuine partnership, be more generous and less self-interested, listen to local voices and be more sensitive to different forms of political organisation. This author is struck by the frequency with which European diplomats and analysts now suggest that the EU should refrain from emphasising its own preferences and interests, and rather follow the flow of unfolding trends in the MENA. Listen to every interview senior officials or ministers offer upon departing for the region: we are going to listen and not to impose our preferences, they invariably insist. Nomenclature portrays this aspired glow of shared warmth: think of the Commission's so-called SPRING programme, promising Support for Partnership, Reform and Inclusive Growth.

In contrast, Arab reactions are notably combative. A familiar stock of complaints is forthcoming from Arab interlocutors. In what is apparently becoming the standardised term of warning, even the most liberal of reformers say Europe is not an 'acceptable partner' in religious matters. Arabs want European money and the freedom to work in Europe, but the fuzzy talk of cultural partnerships and shared communities leaves them unimpressed. Mediterranean 'Union' certainly does not appear on their wish lists for outside help; indeed questions on this benighted initiative usually trigger a wry grin of slight disbelief from one's Arab interlocutor.

European must stop 'preaching' its experiences and models of transition, most Arabs say. While Europeans give great weight to initiatives purporting to disseminate the lessons of transitions, Arab reformers dismiss these as well-intentioned but marginal. The EU has no role in the ebb and flow of Egypt's process of political change; the shifting alliances and tactics of different actors in Egypt are unfolding quite beyond the orbit of EU influence. Algeria is distancing itself increasingly from EU policy initiatives.

Arabs leave the EU an un-enviably thin line to walk. If Europe fails to help, it is lambasted as evil conspirator with authoritarian remnants. If it does help, it is often berated for being driven only by pernicious self-interest. The commonly heard plea is that the EU should also keep out of foreign policy questions on which more representative governments are likely to become more nationalist and assertive.

In short, the EU appears to be more the suitor now, and on many matters unrequited by its Arab partners. Of course, many in the region want European funds. But one cannot help feeling that the EU's painfully politically-correct embrace is met with an increasingly cold shoulder. Given the past hypocrisy in European policies this should come as no surprise. The EU is paying and will pay for its past misdemeanours. More than a few speeches claiming humility and many mea culpas will be

needed to correct Europe's legitimacy deficit in the region. In this sense, many Arab complaints are largely as they should be. Mostly they do not reflect actual hostility towards Europe, but governments' past actions have bred a dearth of trust. Add in Europe's patent decline and financial crunch, and the absence of a strong European orientation among Arab reformers is perhaps even more understandable.

But while Arab reactions may be unsurprising and justifiable, the EU must similarly be less insipid in response. The EU must wake up to the fact that north and south of the Mediterranean are talking qualitatively different languages. The tone of European discourse is: thanks to the Arab Spring we can join together in partnership. The Arab line is: tangible help is welcome, but now you can take the opportunity to get out of our affairs. Europeans are dressed in hair shirt, Arabs in the finest regalia of mordant assertiveness.

The EU needs to change its mindset from that of passive and limpid 'helper' to that of the geo-strategic planner. If Arab actors keep repeating that the EU is not an acceptable partner to 'interfere', the EU insistence on 'equal partnership' and shared decision-making seems increasingly like recondite self-abasement. The implication of heeding Arabs' own complaints about EU policies is that reformers in the region must ultimately sort out their own problems. Europe should help, and generously so. But it should drop the often-heard pretence that 'we are part of the region' and that we are engaged in the creation of a mutually-desired project of deep and harmonious politico-social integration.

The EU should aim for more careful calculation of where change in the region can advance European interests. Arabs should be heeded when they say they do not want Europe trying to micro-manage reform processes. But the Union must make clear that the other side to this coin is that the EU must be tougher in ascertaining where its own interests lie in the complex and varied processes of political change across the MENA region.

If Arabs are not particularly enamoured of nebulous EU visions of shared community-building, they should not object to a less sentimental riposte from European governments. It is legitimate for the EU to focus far more on making sure that the instability of change does not spill-over to have negative repercussions on a broader regional basis. If Arab reformers want more freedom *from* the West, then the EU should also map a more autonomous vision of its strategic positioning.

To be absolutely clear: this is categorically not a question of becoming less ethical, sensitive or soft power-oriented. The EU must be more geo-strategic but not in an old style realpolitik fashion. Europe should be unapologetically pro-reform. But governments are not NGOs. It is unsatisfactory for European politicians to be saying merely that they wish 'to listen to the region' without any set of clear strategic preferences. They have the responsibility to map out a vision that advances European interests – it is for this that they are responsible to their citizens. This author has been upbraided by senior EU officials based in the region for even posing the question in terms of strategic interests. These officials earnestly commit to 'listening to the NGOs more' and 'putting the welfare of local people first'. An admirable and necessary sentiment, indeed, but not a foreign policy. Beyond this, one probes strategic intent in vain. The question of what their ten year geostrategic vision is for safeguarding EU interests is invariably met with bashful and blank-eyed silence. This is deeply pre-occupying.

The EU needs to move beyond its bureaucratic mindset of thinking that a response to the Arab Spring is a matter merely of embellishing existing frameworks like the European neighbourhood Policy (ENP), the Union for the Mediterranean (UfM), the Euro-Mediterranean Partnership (EMP) or any other so-far ineffectual acronym. Offering more 'money, markets and mobility' is part of the equation but does not constitute a geo-strategic response to such potentially momentous events. The EU needs a geostrategic vision for where it wants the region to be in the next ten or twenty years, which problems need

to be overcome and where Europe should be able to work with new regimes on broader global questions. It should work back from this vision to decide which policy changes are appropriate in the short-term. At present, the direction of deliberation is almost the reverse: policy-makers look at what is bureaucratically feasible now, then see what can this achieve in strategic terms.

## Geostrategic Prisms

Many will say that the EU is already too self-centred and focused on its own immediate power maximisation. In fact, its policies gravitate to two extremes simultaneously. At one extreme, its pronouncements are too NGO-like, in eschewing any focus on interests. At the other extreme, they still betray a reflex of exclusion and control that is devoid of longer-term rationale. What is missing is a renewed attempt to delineate the longer term implications of current changes in the region. Here are (non-exhaustive) suggestions for issues that merit consideration.

First, the EU must map out what kind of 'governance model' is envisages for its relations with the MENA. In the long-term, the challenge is not merely to think in terms of what amounts of new assistance the EU should be offering, but also how the underlying institutional templates of European-MENA relations will change as a result of the Arab Spring. Through the EMP, the EU purported to create a collective security community based on shared decision-making and deeply integrated policy structures across all realms. In practice, European governments themselves limited the depth of such dynamics. Reassessing its interests in the light of Arab protests, does the EU now want deep integration between Europe and the southern Mediterranean? Or would it be better served by a more distant relationship, offering support for reform but from a basis of autonomy? The best way forward is likely to be eclectic. The EU should opt for a more selective and lighter-touch use of the Euro-Mediterranean

governance model, combining this with a more pro-reform and agile engagement at the level of high-politics.

Second, the EU must assess the risk of the Arab Spring hastening the rise of non-Western powers in the region. Is this more of a modern 'Suez moment' than a new opening to the spirit of 'Euro-Mediterranean collective security'? If so, the EU needs a vision for how it intends to react. How can it best influence the way that emerging powers act in the MENA? Will the EU adopt a geo-strategy of positive-sum cooperation, based on the hope that having more actors involved can help improve the 'soft security' deficits that effect Europe's own interests so acutely? If so, it has a long way to go to put such an approach into action. Most obviously, the EU must look at how it can engage Turkey more systematically on the future of the Arab Spring. Despite all the attention lavished on Turkey's rising regional role, the EU has not attempted to devise a joint strategy with Ankara towards Arab democracy or, conversely, thought about what the limits might be to Arabs' acceptance of Turkish involvement.

Third, the EU needs to look beyond Islam. It is often said that being more strategically self-interested would involve trying to reduce the likelihood of Islamist governments. This would be a mistaken approach. But neither will European engagement with Islamists be especially relevant. If there is a turn towards more social conservatism in the Middle East this is of no primordial matter to Europe. It might complicate really deep social linkages and it might not be something Europeans look upon with much admiration after such courageous democracy protests. But it is not of major geo-strategic interest. Geopolitical problems are more likely to flow from the depth of social anger if reforms fail, rather than from the inclusion of Islamist parties. The EU must transcend the debate over 'engaging versus containing' Islam. Its own interests will depend a lot more on the institutional processes and economic strategies through which social justice is pursued.

Which leads on to a fourth consideration: EU economic interests will require a fine balance between markets and the state. The EU must recognise that the way in which economic liberalisation was prompted during the last decade nourished much social discontent. But it should be wary of over-shooting in the other direction. It is currently fashionable to argue that the Arab Spring will and should usher in a fundamentally different and strongly anti-market economic model. Many see this as the key to social stability, job creation and a reduction in migration. However, the EU needs a much more granular analysis of the interweaving of political and economic opening. A rigid model of economic liberalisation is to be avoided. But the EU should also resist current anti-market fashion and try to dissuade the region from veering too far away from economic liberalisation.

The region needs more dynamic private sectors to generate jobs, not a return to state-socialism. Problems have arisen from the corrupt and nepotistic way in which economies have been liberalised, much more than from the principle of economic openness per se. The key for geo-economic interest is to support a better quality of economic governance, with balanced roles for the state and market, devoid of the clientelistic dynamics that have for long distorted both sectors. The EU must take particular advantage of the opportunity to push the region beyond the rentier-dominated management of the energy sector that has fed both economic and political pathologies for so long.

Fifth, the EU must begin to get to grips with what the Arab Spring means for the long-ruminated prospects of a pan-regional security framework. The EU needs to sort out its interpretation of how the Arab Spring conditions intra-regional relations. What does it feel about an incipient competitiveness between Egypt and Saudi Arabia? Clarity is lacking here: some diplomats argue that Egypt will be the big winner, others insist that the key will be to back Saudi Arabia as the region's star rising power. The way that the Arab Spring promises to reshuffle the already-fragile set of inter-state relations within the Middle East

places more of a premium on pan-regional political dialogue. The regional dimension to non-proliferation efforts are, for example, likely to become more important. The impact on the Arab-Israeli conflict will also be complex. In consequence, the EU must shift beyond its rather fragmented set of policy frameworks across the region and make more effort to joint together its Mediterranean, Gulf, Yemen, Iran and Iraq policies.

Finally, the EU must consider how and where it can engage with North African states on wider global issues. In some ways, North Africa is so small in economic and demographic terms compared to the magnitude of the challenges and opportunities emanating from Asia, that Euro-Mediterranean relations must be crafted with this broader context in mind. The EU needs to move beyond a mind-set that sees the 'southern neighbourhood' only as a burden to be lightened. In view of shifting global power balances, the EU will need a broader set of strategic alliances built around key principles of internationalism. So far only limited coordination on crisis management issues with the likes of Morocco has been pursued in the MENA. The EU must map out a vision that conceives of deepened partnerships across the neighbourhood as instruments to help the EU build its global presence. The EU and countries to its south (and indeed, east) will need to establish a common cause in confronting future challenges together. The template will be to build from a strong neighbourhood out towards the broader changes to global order.

## Conclusion

Both Europeans and Arabs want things both ways. Europeans want the caché of a politically-correct discourse that 'we are only here to listen and help', but still have to acknowledge that the local response to this may be 'keep your distance'. Arabs convey this message of 'keep your distance', but simultaneously complain of the paucity

of European money and labour market access. Both sides need a reality check.

Some will feel that such hard-nosed sobriety runs contrary to a spirit of other-regarding brotherhood latent in the Arab Spring. Yet, for the EU to focus more on its own geo-strategic vision would not represent a betrayal of courageous reformers. The EU is broadly right to be in listening mode and accept locally-driven solutions. But it must be legitimate to complement this with a clear vision of its own concerns. The EU should not be so cautious that it does nothing to make it harder for reform-spoilers to regroup. This would replay the EU's miscalculated hands-offs approach in the Balkans in the 1990s and waste a potentially historic opportunity. Some already fear that the Libya intervention was only undertaken because it was reasonably easy, where resources might be required in more strategically important parts of the region. The EU needs to supplement admirable humanitarianism with a more variegated assessment of its geopolitical interests.

The appropriate strategic doctrine might be defined as a form of liberal realism. Some will doubt that such a mix of non-prescriptive support for locally-driven reforms is compatible with the pursuit of self-interest. The EU must certainly work hard to ensure that liberal realism is something more than the symbolic compliment that virtue pays to vice. Yet, the risk currently lies in the direction of under-playing the strategic impact of changes afoot in the Middle East. The Union is moving so far towards a rhetoric of disinterested munificence that its pleas to be involved in the region's future look like mere supplicant importuning. The EU risks much if it fails to deal in a more geo-strategic coinage.

# PART III: **OUTLOOK**

# 15. Islamist-led foreign policies: what implications?[1]

*Kristina Kausch*

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The sweeping electoral victories of Islamist political parties are set to shift the terms and priorities of European engagement with Arab states. A recurrent theme in Europe's policy debates has been the concern that democratic elections in the Middle East and North Africa (MENA) would bring governments to power that are hostile to key Western interests. Indeed, fears that new governments may upset the basis of the region's fragile security arrangements have been a major driving force behind the tacit EU and US support for Arab autocrats. As democratic elections across North Africa begin to bring a new political class to the fore, international partners are wondering what to expect.

The 2011 uprisings carried the Islamist momentum from squares to institutions. After decades of more or less overt repression, the Egyptian Muslim Brotherhood (MB) and its international offshoots are starting to taste power. Tunisia's Ennahda and Morocco's Justice and Development Party (PJD) have become the first Islamist parties ever to form governments in their countries. Islamists are also expected to play a leading role in the new order in post-war Libya. MB offshoots across the region, including in Algeria, Jordan and Palestine, see opportunity ahead.

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[1] This research acknowledges the support of the EU FP7 large-scale integrated research project, GR:EEN-Global Re-ordering: Evolution through European Networks (European Commission Project Number: 266809).

The incoming governments in North Africa will find their attention mostly occupied by domestic politics, in particular kick-starting depressed economies and restoring security. Foreign policy may be an important tool in advancing these aims. Most of the parties now coming to the fore embrace international cooperation, investment and the market economy. Islamist parties have been eager to undo the isolation from the West that had been forced upon them by former authoritarian rulers. But while the EU and the US are to remain important partners, inter-Arab cooperation, as well as ties with emerging powers, are to be strengthened.

Europeans are concerned about the impact stronger intra-Arab and intra-Muslim alliances will have on the waning EU influence in the region, and the effect these developments will have on central European interests such as energy security, counter-terrorism, migration and trade. The new Arab self-confidence is likely to ensure that new governments do not replicate their predecessors' compliant embrace of the West. At the same time, Islamist parties have been keen to reassure their international partners by stressing continuity in their countries' major foreign affairs partnerships. Remembering the experience of Algeria in 1991 and Palestine in 2006, when Islamist electoral victories were over-turned with the backing of the West, faith-based parties have been acting very cautiously in order to forestall a backlash. But although fundamental changes are unlikely to occur during these governments' first terms, they may occur over a longer period of time.

## Cold peace with Israel

Much of the EU's wariness about the 2011 Arab uprisings has been rooted in fears that new governments led by Islamists linked to the pan-Arab Muslim Brotherhood movement may be less friendly toward Israel than their predecessors. And in fact, recent public

debates in Egypt and Jordan, the only two Arab countries with formal diplomatic ties to Israel, have questioned their countries' respective peace treaties with Israel more forcefully.

Since its signature in 1979 after the Camp David negotiations, the Egypt-Israel peace treaty has secured the cold peace between the two countries that has been the backbone of the Middle East's fragile security architecture. Egyptian parties across the political spectrum have long been critical of the treaty, which is highly unpopular among the Egyptian public. In its platform for the 2011 elections, the Freedom and Justice Party (FJP), the MB's political arm, named among its main foreign policy aims the 'need to confront the aggressive and expansionist Zionist entity', and made the upholding of all existing peace treaties subject to a national referendum. In practice, the MB's stance on the peace treaty has been less oppositional: following their electoral victory, MB/FJP leaders assured their international partners that all existing treaties would be respected. But remarks at grassroots events and to the media speak a different language. In February 2012, in reaction to US conditionality threats over Cairo's recent NGO crackdown, Essam El-Eriyan, the head of the Parliament's foreign affairs committee, became the first FJP leader to explicitly question the upholding of the peace treaty. The annual $1.3 billion military aid to Egypt is regarded as Egypt's reward for maintaining the treaty against the will of the public.

The MB's erratic course on controversial issues may be due to internal disagreements, as well as the lack of political experience within a party that within less than a year has gone from illegality to grasp of government. A breach of the treaty would cause border problems and the potential loss of US military aid, which the incoming government cannot afford, since Egypt's domestic security is fragile and its economy is 'on the brink of collapse'. Moreover, the MB's rise to genuine government responsibility will depend on

a pact with the currently ruling Supreme Council of the Armed Forces (SCAF), which is the principal beneficiary of the peace treaty and all the aid and procurement business attached to it. Though unlikely to cancel the treaty, both government and parliament may press to renegotiate several of its provisions, including the limits to Egyptian police and military presence on the Sinai. Indeed, the deteriorating security situation on the Sinai since the revolution is seen by some as the desired result of deliberately lax controls by the new Egyptian leadership in order to convince Israel to agree to review the treaty's conditions.

The potential deal breaker for all Arab peace treaties with Israel would be an Israeli (or US) attack on Iran. In this case, Islam may prove the strongest bond, making populist slogans about Muslim solidarity come alive. If the Arab states aligned themselves with Iran, it would lead to an explosive polarisation and probably violent showdown in the Middle East, with unpredictable consequences for the whole region. More likely, however, is that Muslim solidarity towards Shi'a Iran would not be enough to entice newly empowered Sunni Islamist governments to risk their domestic bids for power.

The empowerment of the Egyptian MB in effect ends the isolation of its Palestinian offshoot, Hamas. While recognition of Israel by Hamas remains off limits, many signs point towards increasing political pragmatism. Internal suggestions to re-brand Hamas as a Palestinian chapter of the Muslim Brotherhood indicate a desire within Hamas to take advantage of the current Islamist momentum to forge ties across the region and with the West. At the same time, internal consensus among Hamas' leadership is eroding, and inner-Palestinian reconciliation efforts meet with resistance from those who see little benefit in sharing power with Fatah at a moment when Hamas is in the ascendancy. While it might not happen just yet, a post-Camp-David order is probably in the making.

## Pragmatic alliances

The new generation of Arab foreign policy actors vows to expand their portfolio of partnerships and alliances, to the relative detriment of the West. Some observers have been wary of pan-Islamist, pan-Sunni or pan-Arab alliances, fearing an anti-liberal or anti-Western plot. Such fears are overstated, since first and foremost, diversification is likely to be pragmatic. To the degree that economic imperatives define political options, new Arab governments will need to diversify their alliances for functional reasons, rather than in the pursuit of Machiavellian power politics.

Alliances are emerging with both primarily economic and primarily political rationales. Economic diversification is vital for growth. In 2011, Tunisia's GDP growth declined from 3 to 0 per cent and Egypt's from 5 to 1 per cent. Egypt's unemployment rate is estimated to have risen from 10 to 15 per cent, and youth unemployment is 25 per cent. Libya's economy shrank by 50 per cent, as the war paralysed the oil industry. Tourism in the region has been hit hard, and overall foreign direct investment has dropped by over a quarter. EU and US ability and willingness to invest in the region has suffered heavily from the financial and economic crisis. So, the need to restart the economy is forcing non-oil states in particular to seek opportunities elsewhere. Efforts are under way to strengthen regional integration. With Gaddafi's blockage gone, Tunisia is lobbying for a revival of the Arab Maghreb Union. Most political forces in Egypt are seeking to expand ties with the countries of the Nile Basin. While North Africa's economic ties with China and India are developing, the influence of the Gulf countries has been strongly felt. For the new leaders, their success in getting the economies of Egypt, Tunisia and Libya back on their feet will decide their fate in the next elections.

Without Gulf investment and loans, North African transitions will be a heavy lift. The current lack of investment security in North Africa puts

off potential investors. But while direly needed in most of the region, increasing Gulf investment is also seen with suspicion. In Tunisia, there is a creeping sense of Gulf buy-out after the country has emerged from its political ashes. Egypt is seeking to build bridges with the Gulf, because it urgently needs funds. Saudi Arabia and the United Arab Emirates are the two largest economies in the Arab world and the biggest investors in Egypt. But hardly any grants have been promised to Egypt by the Gulf states, and from the approximately $20 billion of investment and project funding pledged by Gulf states to Egypt in 2011, only $500 million – from Saudi Arabia and Qatar – has so far materialised. Having earlier rejected an IMF loan, and lacking the capacity to develop projects necessary to receive the promised Gulf money, the Egyptian authorities have been running the country on the central bank's foreign reserves, which are about to run out. Egypt is currently concluding a $3.2 billion loan with the IMF, which is hoped to restore some confidence in the government's economic reform efforts.

In the political sphere, the region is seeing a shift of power towards the Gulf, with Iran and a number of emerging middle powers struggling for primacy. Alliances are being built with related political leaderships (for example, between different MB offshoots), as well as along sectarian lines, with some observers fearing the rise of a regional Sunni-Shi'a divide. Egypt's desire to regain its traditional clout in the region will require it to maintain good relations with the region's other power strongholds, Saudi Arabia, Iran and, increasingly, Turkey and Qatar. While deeply suspicious of each other, the MB and the Arab Gulf states both belong to the Sunni Arab axis that the MB seeks to strengthen, and both share a preference for a conservative brand of economic liberalism. Unlike Egypt, Tunisia does not aspire to a regional leadership role. While Tunisia's proud post-revolutionary government displays a new self-confidence on the regional stage, Ennahda leaders stress they want 'zero problems'. They also say they will take up relations with neither Israel nor Iran, because there is currently 'no public appetite' for this.

The outcome of the internal conflict in Syria is likely to meaningfully alter the dynamics of inner-regional alliances in the security-sensitive Mashreq. The decline of Syria has led Hamas to seek alternative alliances across the region. Turkey-Hamas ties in particular have been getting stronger after Turkey broke ties with former ally Bashar al Assad. Given Hamas' financial support from the Gulf, however, it remains doubtful that Turkey would be able to influence Hamas positions in any significant way. Economic relations between Egypt and Turkey have been strengthened through a number of agreements. Turkey's success in both economic development and foreign policy has inspired some admiration across the Arab world.

Depending on who succeeds the Assad regime, which is unlikely to survive the current internal strife, Iran may take yet another step towards regional isolation. Most of the Sunni Gulf monarchies and most North African governments oppose Iran's policies. And Hamas' relationship with Iran is on the brink of failure. The demonstrative bonding of Hamas leaders with Tehran's in front of the cameras contrasts with Iran's reported ending of financial support to Hamas over its fallout with the Assad regime, and Hamas' recent announcement that it would not support Iran in a war against Israel. In Egypt, the FJP has said that it will try to re-establish diplomatic ties with Iran and put an end to Mubarak's policy of keeping Tehran at arm's length, even though the ruling military remains reluctant.

The Gulf States have presented a more unified front in the face of the nuclear threat posed by Iran. Egypt is important to Gulf security, mostly due to its military strength. But Gulf powers such as Saudi Arabia are suspicious of the emerging Islamist governments in North Africa. Several Gulf States have attempted to prevent domestic uprisings while selectively supporting revolutionary regime change abroad. Gulf leaders are afraid that strengthening ties with Egypt or Tunisia may imply 'importing' unwanted revolution.

One side effect of the uprisings in North Africa has been a growing emancipation from Western hegemony. The new class of political actors in North Africa displays an assertiveness in foreign affairs that is often an expression of a nationalist populism that resonates well with newly empowered Arab electorates. Opposition to Western hegemony and 'foreign meddling' is evidenced in the widespread public sentiment against international electoral monitoring or NGO funding. Islamism by no means has the monopoly on this kind of populism; any democratically elected government in the MENA will probably favour a more assertive and less aligned foreign policy than in the past. This should put an end to the North African knee-jerk acceptance of strategic Western priorities. The fragility of the current domestic power structures requires politicians to reconcile their constituencies' preferences with political pragmatism and coalition-building. In that sense, the trend towards populism represents a 'normalisation' of Arab politics. Yet, the new requirement of domestic accountability will make emerging leaders more difficult to 'manage' from outside, hence reducing the likelihood of the kind of patron-client relationship that has characterised EU relations with Arab countries over the past decades.

For the time being, however, the assertiveness of the new leaders will be limited by the degree to which their countries need cash, investment and new markets. Political and economic diversification notwithstanding, incoming governments are reaffirming their commitment to a strong partnership with the EU, which remains the region's principal trading partner. For example, the EU accounts for 80 per cent of Tunisia's trade exchanges, and the new Prime Minister Jebali recently reiterated to his Brussels counterparts Tunisia's interest in an 'advanced status' and in the establishment of a free trade area with the EU. Like their predecessors, new Southern partners want to strengthen economic ties with the EU, and they stress the huge potential of greater Mediterranean integration. Fears of an immediate loss of Western influence, therefore, are exaggerated. While their relative political influence is sinking, the economic power of the EU

and the US in the region will ensure the continued dependency of Arab economies for quite some time.

### What Europe should do

While not likely to rock the boat of EU-Mediterranean relations in the immediate future, the emergence of new foreign policy actors in the Southern Mediterranean will demand greater nuance, complexity and strategic thinking in forming EU policies in the region.

The spectrum of potential partners has widened, ranging from comparatively static EU-strongholds to petro-states to resurrected regional brokers. If the current European Neighbourhood Policy (ENP) is a blessing to some, to others it is a straitjacket. Europeans can no longer take for granted that the 'EU brand' is appeal enough in itself. A more appropriately shaped ENP will have to be combined with other policy frameworks where the ENP's appeal is insufficient. Democratically legitimate Arab partners demand interest-based cooperation, and a more strategic and targeted kind of partnership model must be forged. An extension of the 'strategic partnership' approach to its Southern Neighbourhood may be one possible way to complement existing Mediterranean policies.

The diversification of intra-regional ties bears important opportunities for EU interests. For example, greater South-South integration could provide unexpected economic impetus for the Mediterranean, of which both shores are in dire need. And, Islamist governments could play a positive – if not decisive – role in conflict mediation with Iran and Syria, and in particular in advancing inner-Palestinian reconciliation, opening up new avenues for dialogue and second track diplomacy. Commendably, reflections are under way on whether and how to move EU engagement with Hamas from backchannels to the front stage.

Since tough times lie ahead for EU influence in the region, the EU should lay the groundwork for varied, lasting alliances now. From a geostrategic point of view, it might be wise to invest in meaty strategic partnerships with emerging middle powers such as Egypt and Turkey before they get too powerful and well connected to care for EU cooperation. By a similar token, the EU could explicitly target pivotal small countries such as Qatar which has successfully established itself as a small but powerful regional broker.

Unless any sudden turns in the security setup of the Mashreq require governments to readjust their solidarities, it will be economy, not ideology, that will rule the Mediterranean in the coming years. What starts out now as nuances in North African foreign policies, however, could likely grow into more substantial political divergences in the years and decades to come. The fall of the old regimes is an opportunity for the EU to build new relations with emerging Arab leaders, to the benefit of both. Rather than holding on to backward-looking containment strategies, the EU should therefore embrace the opportunities inherent in the rise of a new political class, including the chance to reinvent its own role in the Mediterranean.

# 16. When gravity fails… Five futures for Euro-Mediterranean relations

*Richard Youngs*

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As the Arab Spring unfolds with both promise and risk, the EU is working hard to support incipient political change in a more nuanced, sophisticated and demand-driven fashion. The fact that some new resources have been found in the midst of such an acute economic recession is to the EU's credit. Much that sustains the EU's renewed Neighbourhood Policy is admirable, in particular the commitments to provide more generous mobility partnerships, assist in job creation, back deeper economic integration across the Mediterranean and dialogue with the full range of political actors in Arab states.

Exhaustive coverage has been given to the re-energised European Neighbourhood Policy (ENP) now being implemented. Inevitably, the EU's response to the Arab revolts can be judged contrastingly for its improvements or for its persistent shortcomings. Critics point out that new European money is of a limited magnitude and that promises of freer trade and more generous mobility still need to be followed though. Many have suggested what the EU should be doing in the immediate

future to support reforms. But beyond debates over the near-term ENP policy concoction, a broader challenge looms on the horizon. As the Arab rebellions move past their first flush of innocent effusion, the EU must lift its eyes beyond immediate tactical decisions and begin to think more conceptually about what type of relationship is to be desired between Europe and the Middle East and North Africa (MENA) region.

This longer term vision requires the EU innovatively to craft effective support for political openings but also to adjust its interest-calculus to the new geopolitics of the Middle East. Short-term and often prosaic policy decisions – how much money should be made available and to whom, the format of ENP action plans, the relationship between the Neighbourhood Policy and Union for the Mediterranean (UfM), the technical scheduling of trade incentives, the rules governing civil society partnerships – need to be taken with broader strategic scenarios in mind. The focus of policy activity in the immediate short-term must be made fully compatible with a clearer vision of where the EU would like its Middle Eastern relations to be in ten or twenty years.

In an effort to move beyond commentary on the current state of ENP policies, this essay suggests five scenarios for the longer-term future of relations between Europe and the MENA region. These are offered essentially as means of thinking about future options. Each of the scenarios represents a different type of EU-Middle Eastern pattern of governance. As it fine-tunes ENP and UfM initiatives through 2012, the EU should begin to deliberate on what kind of balance between these scenarios it seeks in the longer term.

### Scenario 1: Euro-Mediterranean governance

The original vision of the Euro-Mediterranean Partnership (EMP) embodied the ambition to create an area of deeply integrated governance structures. The rationale was to cultivate areas of sectoral cooperation

entwined deeply enough to breed an environment of shared problem-solving and loyalty. And indeed a dense network of committees took shape across an impressively broad range of policy areas. However, in the early 2000s practical progress towards the end of integrated governance was halting, in large measure scuppered by tensions over the Arab-Israeli conflict and divergences over fundamental political values. But the ENP renewed the objective of replicating de facto the spirit of enlargement, while the Union for the Mediterranean was predicated on the principle of co-ownership. Analytically this strand of Euro-Mediterranean relations was well captured by the notion of an aspiration to create elements of a common political space or 'regime', not just cooperative policies. The concept of decentred governance helped reflect the aim of moving beyond a merely instrumental set of EU policies towards Arab states. The EMP was often seen as a prime example of the EU's predilection for joint community-building.

Prior to the Arab Spring, the philosophy of integrated Euro-Mediterranean governance remained well short of being realised. European commitment was insufficient, while southern Mediterranean resistance was resolute on the more sensitive political dimensions of the partnership. Outside the Europe-Mediterranean Partnership, relations remained strikingly thin with Arab states in the Gulf, Iraq and Iran. On the Arab side, governments resisted many areas of deeper cooperation. Relations with Israel remained far too fractious realistically to hope for a zone of shared governance structures. And on the European side, frustration with the paucity of progress pushed EU member states back towards prioritising their traditional bilateral relations in the region. Whatever its other achievements, the Euro-Mediterranean Partnership had not bred significantly new forms of governance by the eve of the Tunisian revolt.

Scenario one for future EU policy is that post-2011 political changes in the MENA region open the way for a more effective implementation of Euro-Mediterranean governance. In this scenario we would see commitment to deepening a strongly-institutionalised pattern of

cooperation across a large range of different policy areas. The EU and Arab states would enhance their degree of shared problem-solving and decision-making. Something akin to a Euro-Mediterranean polity would take shape. Euro-Mediterranean institutional structures would be of sufficient depth to develop an identity autonomous from their member states, to set agendas and establish problem-solving legitimacy. If the years before 2011 saw member states drawn to bilateral modes of interaction with Arab states, the revolts may encourage increased unity between EU governments themselves sufficient to act a base for more integrative styles of governance across the Mediterranean too.

**Scenario 2: EU exported governance**

Much of the EU's international influence has derived from the transfer of its own rules and legal norms to other countries and organisations. This has been termed a form of institutionally-rooted 'external governance' quite distinct from traditional concepts of power projection. External governance refers to the EU seeking to extend the territorial scope of its own rules and regulations as a rationalised strategy of influencing policy outcomes in third countries. As such, it portrays a novel form of external strategy beyond traditional understandings of foreign policy. It posits a fuzzy rather than absolute distinction between internal and external policies. While there is some overlap here with the notion of common Euro-Mediterranean governance, external governance envisions a more instrumental and immediate usage of the EU's own processes for reasons of self-interest. While this governance model also points to deeply integrated and institutionalised forms of cooperation, the onus is on the EU exporting its own pre-existing norms rather than the on collective security as such.

Many analysts see this framework as being particularly pertinent to the Mediterranean. They argue that this is an area where the institutional patterns that embody the EU's own internal values have

notably extended into the realm of foreign relations. Prior to 2011, some analysts argued that a significant degree of progress was being made in the export of EU governance in the southern Mediterranean. A number of Arab states had begun to incorporate EU rules governing competition, environmental, health and safety, energy and industrial policy. These moves may not have constituted far-reaching political change, but they did represent some degree of convergence in governance styles. And external governance strategies pursued at a relatively technocratic level enabled advances while paralysis reined at the level of high politics.

Notwithstanding these advances, in the years before the Arab Spring clear limitations remained to the scope of governance exported from the European Union. These limits were evident in the stalling of market integration and Arab governments' increasing resistance to uploading large sections of the EU acquis. Once again, the Union for the Mediterranean seemed to signal a dilution of the external governance prism.

Scenario two for future EU policies would see changes in the MENA states and in EU thinking suffice to bring external governance dynamics further to the fore. Under this scenario we would see changes in the Middle East open up more scope successfully to export areas of the EU's own governance rules. This 'governance' approach would become the leading edge of EU efforts to support democratic reform in the region.

## Scenario 3: cosmopolitan governance

Prior to the Arab Spring the civil society components of the EMP and ENP flattered to deceive. They were too elitist and too patchy to claim any credit for the upheavals. Regimes excelled in frustrating the participation of genuinely independent actors. European governments

meekly accepted such barriers and reverted to more government-to-government approaches. Prior to 2011, EU policy in the Arab world was far more state-centric than organised around the priority status of individual agency and rights.

Scenario three for future EU relations would see joint civil society-led initiatives become more significant relative to formal government-to-government relations. This scenario would see EU policy seeking to foster a shared community of values beyond the role of nation states. Apparently in line with such notions of cosmopolitan governance, most of the Arab revolts have been bottom-up social protests. Citizen-centred notions of governance might come to feature far more prominently in European-Middle Eastern relations.

A pre-eminence of cosmopolitan governance would involve full civil society involvement in policy frameworks, systematic inclusion and agenda-setting roles in political dialogue covering democracy and human rights, and strong civic monitoring roles over aid expenditure. Unlike the Euro-Mediterranean governance and external governance models, this would be less about formal institution-centred modes of integration than about the promotion of a citizen-focused ideational community predicated upon universal values. Under this scenario EU support for reform would take its lead from local, Arab input and demands. A civic-oriented governance route may enhance EU influence in the region, to the extent that it circumvents the tensions that have long existed at governmental level.

## Scenario 4: strategic calibration

A fourth scenario for future EU relations would see European governments tempted in the direction of carefully controlled realist statecraft by the tumultuous remoulding of the Middle East. Rather than the Arab revolts ushering in new forms of cooperative governance

across the Mediterranean, this scenario would see them encouraging European governments to claim a greater role and to modulate their responses to this fluidity in a way that safeguards immediate interests. The key variables would be government calculations rather than forms of liberal-integrated governance.

Political change in the MENA region has propelled a belated and self-regarding scramble on the part of European governments to 'side with history'. While support for democracy is forthcoming, it may be increasingly and carefully calibrated to member states' immediate security concerns. Policy initiatives may remain under member states' tutelage, rather than control surrendered to EU initiatives based on integrative-governance.

Crucially, the pre-eminence of geo-strategy would ensure that external support for political change is pitched at very different levels between Arab states: less friendly and unsalvageable regimes are likely to be more readily abandoned, stalwart allies treated more leniently. Where such a recast geo-strategy predominates, we would above all expect to see European governments perusing the variation in reform-paths adopted by different Arab regimes since 2011 and carefully calculating how much and what type of reform to back in each case.

### Scenario 5: De-Europeanised governance

A fifth and final scenario for the future would see the Arab upheavals herald a multilateralisation of EU policy efforts across North Africa and the Middle East. A hub-and-spokes governance pattern still exists between individual Arab states and the European Union. The assumption has often been that many individual Arab states see the EU as their main external reference point and that they have prioritised this bilateral relation rather than ties with other Middle Eastern countries. This tallies with the implied logic of the concept

of a 'European Neighbourhood', a single EU hub linked by spokes to individual states around its periphery. Of course, in some cases US influence has been pre-eminent, but certainly in North Africa Europe has generally been seen as the key external interlocutor.

We might expect on-going, over-arching shifts in international power gradually to change this pattern and have a concrete impact in the new Middle East. Instead of any revival of Euro-Mediterranean governance or stronger European civil society engagement, the most notable trend may be that of diminishing EU presence in the Middle East. Most strikingly, the political and economic reach of Gulf states into North Africa has deepened appreciably. The role in democracy support of non-Western 'rising' democracies' may prove increasingly pre-eminent. This may be the case not only for Turkey, but also the likes of India, Brazil and Indonesia; these rising powers have to date engaged only sporadically in the Middle East but their transitions experiences are increasingly in demand in the region.

In some measure, a scenario of de-Europeanised governance represents the inverse of the external governance model. Instead of measuring how far the MENA region incrementally aligns itself with EU rules and norms, the key trend would be the region's turn towards non-Western powers. This scenario would see the EU working with rather than against the grain of these trends. The EU would pay less attention purely to crafting its own policy frameworks in hermetic isolation and place more emphasis on crafting joint initiatives with other Middle Eastern regional powers and international actors from outside the region.

## Eclectic, but strategic

At present, EU responses to the emerging Middle East are somewhat ad hoc, measured against these ideal-type governance variations. Predictions are hazardous while the disturbed pieces of Middle Eastern

politics are yet to resettle in any easily discernible pattern. Opting now definitively for one or other strategic-governance path would be premature. The five scenarios are offered as ways in which the EU might usefully kick-start and order its thinking about future options.

That said, it would seem reasonable to hazard that the trend should be broadly away from the first two models of governance. Most fundamentally, of course, a revival of Euro-Mediterranean governance would require resolution of the Israel-Palestinian conflict; this is not something which the Arab Spring appears to have rendered more likely. More generally, in the Arab world the familiar 'gravitational' model of supporting reform has negligible traction. Unlike in other regions, in the Arab world the EU is not the central force of attraction towards which reform aspirations are drawn. The design of EU-Arab relations will require something of the spirit of Copernicus: in twenty years the EU is likely to be one node enmeshed in Middle Eastern affairs but not that around which Arab politics in any essential sense revolves. This does not mean abandoning Euro-Mediterranean initiatives. Some EU rules may be imported enthusiastically by post-transition Arab regimes. Some governance export may occur. But this will be on a more selective basis, where it addresses Arab states' own concrete policy objectives. The notion of an extended 'Euro-sphere' is not one to which the EU should set its geo-strategic compass.

In contrast, the spirit of the Arab revolts surely invites far more emphasis on the civic dimension of relations than on heavily institutionalised government-to-government policy frameworks. Indeed, to stress the latter to the detriment of citizen involvement would subvert the essence of social empowerment that is the very driving force of the incipient vibrancy of the Middle East.

At the same time, it will be proper and necessary for European governments to have a 'security hold' on the shifting alliances and power balances within the Middle East. The magnitude of change is

such that the EU response cannot be sensibly limited to a few worthy, upgraded ENP or UfM projects. A geo-strategic approach should not equate to old-style realist containment; this will be beyond the EU's gift even were it pursued. Nor should it be taken to invite a splintering of EU unity. But it does mean that more rationalised diplomacy will be apposite given the extent to which the Arab Spring will transmute into profoundly strategic and varied security dilemmas.

The final scenario of multilateralised international support for Arab reforms is that which is likely to require most additional attention in the medium term. With more limited material incentives at its disposal, the EU must fashion less direct forms of leverage through building broader alliances on Middle Eastern concerns. The most immediate trend is towards some Arab states engaging more influentially across the wider region. The current influence of rising powers should not be exaggerated; most still have limited engagement in the MENA region. But the EU would do well to start preparing for what is likely eventually to be a far more plural international engagement in the Middle East. EU diplomats frequently pay lip service to just such a concern; yet there is some risk that current choices are locking-in a reliance on EU policy frameworks ill-equipped to foster such multilateralisation. The EU's failure to craft a structured alliance with Turkey specifically on Arab reform support is only the most glaring failure to adjust to a changed order.

This is perhaps, then, the over-riding puzzle for EU long-term strategic thinkers to ponder: what happens when 'gravity fails' and the EU becomes but one in a constellation of many firmaments? The ambitious long-term strategy would be for the EU to move gradually from treating Arab states not so much as components of 'its neighbourhood' and more as potential partners in global challenges.

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