



**Contributions by European Members
to the 12th November 2011 Panel Discussion on**

Europe's Response to the Arab Awakening

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[Nota: Contributions prepared throughout August/early September 2011]

POLICY RECOMMENDATIONS TO EU AUTHORITIES

“Time is of the essence”, as the saying goes, particularly valid these days when appraising the momentous developments unfolding in North Africa since the outbreak of the “Arab Spring”. But, recognizing immediate *short-term urgencies* to be tackled lest the Arab revolt wilts whilst ignoring a *longer-term vision* will precipitate an outcome contrary to the aspirations of the people and detrimental to a new Euro-Mediterranean foundation.

- In this spirit, Europe must show far greater *ambition* and embrace an *optimistic political vision* for the future when defining the new relationship between both shores of the Mediterranean. Rehashing past policies on “good neighbourhood relations” is no longer sufficient: the Barcelona Process and Union for the Mediterranean allowed for big projects with a small vision. Europe must now muster the political will to impart a new historical impetus to its work and set forth a big vision *with* effective projects. The Union must propose a *strategic vision* to its Southern neighbourhood with a clear *destination* including a viable *roadmap* that will be acceptable, palpable and directly beneficial to the peoples – civil society -- of the region as they open a new chapter in their history. This vision should be the setting up of a true Euro-Med *Community*.
- In order to reach this ambitious goal, the EU should offer a *selective* opening of its borders – casting aside a “Fortress Europe” mentality – and apply its “Money-Markets-Mobility” policy to the full but in a *credible* manner. To start, it must devise the *prospect of full access to its Internal Market* encompassing the four freedoms of movement for goods, capital, services and people. Whilst this goal remains overly ambitious, an initial opening -- through the partial use of its “*acquis communautaire*” mechanism -- to Southern Mediterranean *agricultural and textile products* would be a major signal that Europe has the wherewithal to build such a Community. Another area would be the creation of a *Mediterranean labour market* uniting the region and endowing workers with skills European companies need while concomitantly creating a solid middle class of consumers for European goods. In sum, we must create a Mediterranean *Schengen Area for Transient Mobility*. Investing in and creating jobs for a young North African population is the name of the game in town.
- This overall offer must rest on *criteria defined by Europe* as was the case to Central and Eastern Europe when it put forward the “Copenhagen Criteria” allowing for future EU membership. These well-known criteria rest on democracy, human rights, the Rule of Law, tolerance and market economies. Building a “common democratic home”, as envisaged by the Council of Europe, is the ultimate goal. We call these the “*New Barcelona Criteria*”.
- It is for the Arab states to make their own choices, but Europe must be ready to step up to the mark. All countries of the Region would therefore be invited -- through *bilateral* negotiations carried out by the European Commission -- to join in this effort. The EU will assist them through its various tool kits in reaching the goal of a EuroMed Community but under the necessary *pre-condition* that these “New Barcelona Criteria” be endorsed by the

applicant countries. Thus, *mutual confidence* will be built in the process with Europe extending a “*trust bonus*” to the new Southern democracies. “More for more” could then be envisaged.

- This bilateral relationship will finally require an *overarching multilateral framework*, a setting wherein both the Southern and Northern regions of the Mediterranean meet on equal footing such as through the establishment of a *Standing Political Committee*. It would be led, on the European side, by the recently designated EU Special Representative for the Southern Mediterranean Region. The Association Agreements of the past need to be revamped in the process and a new political offer framed in such a way that it would ultimately link both shores in a close but not closed community sharing a common destiny.

Why not be bold? We envisage a hardcore EU using the various possibilities of “enhanced cooperation” within the Lisbon Treaty *and* a EuroMed Community in a second intertwined but not outward circle where countries from Morocco to the Gulf would find their proper place in a new regional EuroMed configuration fit to compete with the other global regional powers in the world at large. Europe would have seized the moment of this Arab democratic wave and not be judged further down the road of history as having “lost the Arab world”.

EXECUTIVE SUMMARY

Competition, polarisation and fragmentation – both within the Arab countries and increasingly at home within the Union – are today’s signature hall mark that will require *differentiation* when adapting Europe’s response and toolbox to the Arab Awakening. With centrifugal forces gaining the upper hand in the Region, the EU will have to conceive as many different approaches as the new situation requires: As changes differ, so must responses to the Arab Spring do the same. The task is therefore arduous and uncharted. References to the 1989-1990 Revolutions in Central and Eastern Europe have certainly been made when looking at today’s Arab Awakening. Then, these countries tasks were to stabilize the economic and social situations, and to transform themselves from one Party rule and central planning to democracy and market: swift and harsh radical reforms were imposed but all were impressively united in their rejection of the old system and a hope for freedom, respect and dignity with the overarching aspiration of returning to the European fold. The call for *dignity, respect and freedom* also continues to fuel the Arab Revolt but the destination remains unclear and Europe’s response equivocal.

Taken unaware by the sudden outbreak of the Arab Spring, *the European Union* (and the United States) has had to accept *its dearth of influence* over these revolutionary upheavals: Europe may assist or obstruct, but it cannot determine the course of events. If anything, the limited influence of Europe and of the international community on the timing and progress of the uprisings is an advantage. Alongside their peaceful trajectory, the beauty of the Egyptian and Tunisian Revolutions was that they were autochthonous, immune to any accusation of foreign meddling. But *having little influence is not the same as escaping all responsibility*.

The European response to date is still wanting. It quickly became clear that there was no real desire to reframe the relationship between the two shores of the Mediterranean, let alone to devise a 21st century “Marshall Plan”. The European reaction can therefore be summed up by an effective, timely humanitarian response; a vacillating, underwhelming political response; a predictably energetic bureaucratic response but lacking in focus and political will, and political tension over the suspension of Schengen rules by certain member countries.

Looking beyond, Washington’s strategic interests in the Mediterranean are limited whereas China, India, South Korea and Turkey are increasingly present and share rapidly growing economic interests in the region. Europe no longer has a monopoly over relations with African countries but still leaves it as the only major international actor that is tied to the region by both historic, political and security relations as well as trade, economic and development interests: geography prevails; we are the immediate neighbours!

As a start, it is important to understand that *the risks* of the process in our southern neighbourhood *are largely short-term* in nature, whereas *opportunities predominate only in the medium term*. The absence of an economic dividend threatens a still fragile political transition: bridging this vital time lag will “make or break” the future of a cooperative, coherent and sustained Euro-Mediterranean community. Time is of the essence. To this end, a few policy recommendations are submitted:

1. BRIDGING A NEW SOCIAL CONTRACT ACROSS THE MEDITERRANEAN

The EU should start by presenting itself as an “Open Europe” – albeit not to all winds -- and offer the transformation states a singular form of partnership that is not only intergovernmental but also draws in the societies involved: openness must relate to people -- who played such a major role in the Revolutions including a major one by women -- as well as to goods. *A new form of association with the EU must be devised opening up the prospect of full access to its Internal Market* encompassing the four freedoms of movement for goods (including agricultural and textile products), capital, services and people. Freer trade can provide the big idea to underpin a democratic, peaceful, and prosperous North Africa and, beyond, the Middle East. This all the more so a necessity as the overall importance for the European economy of the Arab states will predictably increase, especially considering the *demographic structure* of these young countries.

Europe, because of its own dire demographic structure, *needs immigration*. Transient mobility of persons can replace unwanted definitive migrations, if organised on the basis of a *joint analysis* of the needs of the various parties. Whilst Europe fears illegal immigration, the southern Mediterranean countries deplore their brain drain and loss of qualified workers! More qualified jobs, less massive migration and more circular mobility must top the agenda.

This *migration dimension of the Arab Spring* should evoke not only the potential short- and longer term movement of North Africans to Europe, but equally how Europe’s fear of migration dampened the broader political and public response to the historic revolutions in the Southern Mediterranean. Europe and international agencies were certainly effective in addressing the related urgent humanitarian crises, and EU bureaucracies also responded with relative speed to the dangers and

opportunities generated by events. But a vacuum of political will meant that the response was fragmented and lacked conviction and vision.

But, the EU can still conceive and implement an ambitious plan to create a *Mediterranean labour market uniting the region*. Will it have the courage and wherewithal? Among its many advantages, it would endow workers with skills European companies need and help create a solid middle class of consumers for European goods.

The Arab Spring also revealed a series of *governance gaps related to migration, mobility, and asylum* that should be addressed by Europe and the international community and notably the management of migration flows and the protection vulnerable migrants. Forms of cooperation could be considered such as cooperation among international agencies and among receiving states. Identifying key immigration partner countries for the future—whether due to political ties, demographic growth, democratic change, economic dynamism, or skill base—and forging stronger partnerships based on genuinely collaborative goals will be the key to ensuring that innovation remains central to the external relations of EU migration.

A few additional recommendations for the EU on Migration in the Southern Mediterranean are tabled: “coalitions of the willing” will have to be at the vanguard, devising novel migration policies that could lead to a race to the top. The Lisbon Treaty allows for this “*enhanced cooperation*”. This could be done in the context of the Mobility Partnerships organized by the European Commission, the essentially defunct Union for the Mediterranean (replacing the Euro-Mediterranean Partnership) and the recently announced “Dialogues for Migration, Mobility, and Security,” or in other formats.

In sum, there is an argument not for *more* migration, but *better* migration. In an era of rapid globalisation, the EU could show the way in overcoming one aspect utterly underdeveloped: *the orderly movement of people* where its approach to Mediterranean mobility could be animated by a vision of constructive engagement and a signal to the outside world. A “Fortress Europe” mentality must no longer permeate political decision-makers running behind their electorates which fuel xenophobia and inward-lookingness.

2. SETTING-UP A TRUE EURO-MED ECONOMIC PARTNERSHIP

Another important objective is to create a compelling *vision* for the region’s economic transition. *Incentives* must be sought no longer smothered by *conditional brakes*.

To date, *official EU aid has been of little direct benefit to the Arab populations targeted* and has been exacerbated by a highly restrictive access to its territory. In addition, the all-consuming sovereign debt crisis and the continent’s weak governments contribute largely to this absence of a real response.

Practical projects must therefore provide immediate or mid-term answers geared to the practical needs of populations with more shared growth as the ultimate goal. Six priority sectors have identified to this effect including water and the environment, urban transport, higher education and research, social and civil protection, the funding of the economy and safety of investments.

In addition, *a genuine European budget for the Mediterranean* must see the day. The 2007-2013 Multiannual Budget is now obsolete and no longer adapted to the situation of countries undergoing a democratic revolution. Any policy will require significant budgetary pledges over a far longer period.

Admittedly, the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy proposed in their March 2011 communication on “A Partnership for democracy and shared prosperity with the southern Mediterranean” pledging additional funds complemented by additional allocations under the European Neighbourhood and Partnership Instrument. But these amounts remain *insufficient* and, furthermore, the dispersion of the international funders (budgets of the EU, EIB, EBRD, African Development Bank, World Bank...) is harming its efficacy. After the failure of its Mediterranean regional multilateral schemes, the EU is now promoting a bilateral approach modelled on its Neighbourhood policy. However, this policy lacks the coherence and the resources needed to make it a success: a holistic approach is required.

*Twinning*s along the lines of those created with the countries of Central and Eastern Europe in the PHARE and TACIS programmes would also be essential to anchor southern and eastern Mediterranean countries in the modern globalized world. Europe could also take up the *German model of economic integration* of the countries of Central and Eastern Europe which not only created jobs in eastern European countries but also created industrial jobs at home. This form of *multi-localisation* which avoids destroying the industrial fabric and creates added value on both sides should inspire Europe’s approach and policies toward the Maghreb. Boosting the *role of the private sector* in this regard will be essential in harnessing sustained growth and catalytic for cross-Mediterranean ventures and mergers. European private sector investment (outsourcing) must be attracted to the Region including joint industrial projects and technology transfers promoting added value.

Lastly and *in a mid- to long-term perspective*, Europe could envisage a Euro-Mediterranean “Erasmus Programme”; bringing to completion the Euro-Mediterranean Energy Community; setting-up other Communities on food security, water and health, and launching a feasibility study on a Euro-Mediterranean “monetary snake” which pre-supposes that the European Union overcomes its current Eurozone crisis and finds a new dynamic.

3. USHERING HOPE AND FUTURE INTO A GENUINE LONG-TERM POLITICAL RELATIONSHIP

The democratic revolutions in North Africa and the Middle East offer Europe *a historic opportunity* to build future relations with its immediate south on new foundations.

European countries and their political leaders must therefore *avoid expressing abstract support* for democratic transformation processes in one or other Arab country while at the same time wishing for a particular outcome. Instead *mutual confidence* must be built, even with actors they do not yet know and to whom they should *extend a “trust bonus”*. The European Union (and even more so the United States) should avoid repeating the mistake of dividing states into “moderate” and “radical” on the basis of their geopolitical orientation. Thus, Europe will have to redefine its understanding of

“stability” and shed bygone approaches whereby many a European leader confused stagnation with real stability. The goal must surely be to build a shared area of development, peace and collective security ensuring that the voice of the great “Europe-Mediterranean-Africa” Region is heard worldwide.

Beforehand, any process of *defining a common security strategy* should start from the premise of identifying the *main threats and risks* that the EU is obliged to confront. These would include the proliferation of nuclear weapons; the spread of terrorism; organized crime and piracy; illegal migration; crises of governance and violent widespread sectarian confrontation *among* Muslims; the Sahara as a sea of sand and troubles and the problem of Iran; the ever-lasting Palestinian-Israeli conflict; widespread environmental crises and energy security.

First and foremost *support must be given to states that are moving towards democracy* or attempting to consolidate nascent democratic processes. In other words, the EU should concentrate much of its political energy and resources on *making a success of Tunisia and Egypt*. Any major geopolitical project offering the prospect of a Euro-Mediterranean Union, must therefore concern only countries that have started these democratic transition and which respect the fundamental values and rights of mankind.

To this end, A *Standing Political Committee* -- chaired by the recently appointed EU Special Representative for the Southern Mediterranean region of the EU High Representative -- could be created grouping the State Secretaries for the Mediterranean of each EU Member State and the State Secretaries for European Affairs of the Southern countries parties to the new partnership. This Committee would work in close cooperation with the General Secretariat of the Union for the Mediterranean-Barcelona Process reporting to a Standing Conference for Security and Development led by the European Commission and composed of the ministers of both shores and, once a year, of the Heads of State and of government. In sum, the European security priority for the Mediterranean must focus on *securing the Maghreb* for the benefit of its people and thus to Europe.

A *wider approach* should also be envisaged with a new Euro-Med multilateral effort *open to all interested external powers* beyond the countries of the Region. Such a “Permanent Conference on Mediterranean Security and Cooperation” may help enlarge the dialogue and strengthen a process of confidence-building. Here, a division of responsibilities must be worked out between the EU and the United States, clearly establishing the European lead for the Mediterranean and North Africa, and confirming the American lead for the Middle East and the Gulf. Of course, in both cases, the junior partner will actively contribute to the policy initiatives of the senior one.

Revisiting the 1989-90 Revolutions in Central and Eastern Europe, the message appears clear today: sweeping liberalization of politics and the economy in a fallen autocracy opens the way for *competition* that enables creativity, produces opportunities for new activities, and makes possible personal advancement. This “lesson” applies to the Arab countries awakening from their long autocratic slumber. In the wake of the Arab Awakening, euphoria is however a poor political counsel, but fear is worse. Europe must seize the moment of this momentous Arab democratic wave.

EUROPE FACED WITH THE ARAB REVOLUTIONS

1 – A HISTORIC OPPORTUNITY

The democratic revolutions in North Africa and the Middle East offer Europe a historic opportunity to build on new foundations in its relations with its south.

Admittedly, the Arab Springs will be long and probably cross stormy periods before democracy takes root lastingly. But the courage of the peoples – especially in Tunisia, Egypt and Syria – bears witness to a deep desire for change. Will this change take place to the benefit of the Islamic parties at the risk of seeing the latter dominate new power arrangements? The risk exists undoubtedly, higher in Egypt than in Tunisia. However, it should be noted that the Revolutions were not started by the Islamists: religious slogans were almost absent from the demonstrations. Also, Europe no longer has a monopoly over relations with African countries. Emerging countries (Russia, China, India, Brazil) including Turkey, are increasingly present, attracted by consumer markets, raw materials, precious metals, and arable lands (bought massively by China). More and more African students are going to Asia or Latin America as Europe is rationing their access to its universities. Air routes are being set in place between African capitals and Asia, passing via Dubai, Abu Dhabi and Qatar, abandoning the traditional routes via Paris and London.

The Arab Springs offer Europe a new card to play to the south and east of the Mediterranean. Europe alone, provided it has sufficient political audacity, imagination and determination, can offer a genuine long-term partnership to the southern countries. The United States is far away and is becoming less involved than in the past, as witnessed by the war in Libya. The emerging powers are seeking to strengthen and diversify their presence, especially economic in Africa. They have considerable financial clout. But in Africa, the partner most sought remains Europe, who's geographic, historic and cultural proximity remains strong¹. This opportunity will not be eternal. It must therefore be seized forthwith.

But the Arab Revolutions must be matched with a transformation and even a new foundation to the European approach to this Region.

Europe, like the southern and eastern Mediterranean countries, have a common interest in building a shared development based on their **geographic proximity** and their **complementarities** that harness considerable growth and employment potential. They also have to face **common threats**: terrorism, organised crime, extremisms, populisms; and have joint **challenges to meet**: climate change and global warming, pollution of the Mediterranean, food security, controlling population migrations.

On the economic and social levels, the complementarities are obvious: what is lacking in the north is to be found to the south and east of the Mediterranean, and vice versa:

- *Europe, whose population is ageing, will lose 20 million inhabitants by 2030 and will therefore find it increasingly difficult to fund its social model. It will need the demographic*

1 I wish to thank **Jean-Louis Guigou**, Delegate General of the Institute of Economic Forecasting of the Mediterranean World (IPEMED) whose work has enriched this note and **Radhi Meddeb**, chair of IPEMED. [website: www.ipemed.coop]

dynamism of the southern and eastern Mediterranean where the population is young, job hungry and mobile.

- *The European Union today imports 50% of its energy -- 70% in twenty years' time -- from the Region.* A third of gas and a quarter of oil consumed in Europe come from North Africa. To the south, energy resources and raw materials abound. It is not in Europe's interest to let the oil, gas, precious metals and markets of the southern Mediterranean escape from its hands to the benefit of the Americans, Chinese or Indians, increasingly present and who are attracting to their countries the best African students, whereas Europe is receiving them reluctantly and parsimoniously.
- *Europe is ahead for technologies and patents, and offers a secure setting for investments.* But the crisis and an unconsidered succession of austerity plans, without support from the business community is seriously compromising growth prospects. On the contrary, the southern Mediterranean is less affected by the crisis than its north and will return much sooner to strong and resilient growth. There are many countries in Africa and the Middle East where growth is doubles that of the European Union.

If the complementarities are turned to good account, if the common challenges are faced in close cooperation and not in sterile rivalry, a **win-win process can start between the north and south of the Mediterranean: more shared growth, more qualified jobs, less massive migration and more circular mobility.** A new organised model of more social and ecological development and exchange can be built between Europe and the southern Mediterranean countries, which would allow the north and the south to optimise growth and employment, control migratory flows, **build a shared area of development, peace and collective security and, last but not least, ensure that the voice of the great 'Europe-Mediterranean-Africa' Region is heard worldwide.**

2 – DRAWING THE LESSONS OF THE PAST

Fifteen years ago already, in 1995 in Barcelona, at the behest of Jacques Delors and Felipe Gonzalez, the countries of the European Union and of the southern and eastern shores of the Mediterranean launched an ambitious Euro-Mediterranean project based on economic cooperation, cultural exchanges, peace and political stability.

The Barcelona Process has produced mixed results from which lessons should and can be drawn: *the European Union has not managed to offer a genuine political partnership* to the southern countries which, for their part, have not managed to overcome their divisions and group themselves together to speak on an equal footing with Europe. The Western Sahara conflict embittering relations between Algeria and Morocco is a threat to the growth of North Africa and Mauritania and is blocking the essential construction of a single North African market. Even more so, the Palestinian conflict remains a nullifying impediment to regional cooperation.

The European approach to the Region is limited in its ambitions and scope and dispersed in a multitude of instruments. Between 1960 and 2009, the share of southern countries in the funds devoted to the EU Neighbourhood policy fell from 34% to 8% (including aid to Palestine)!

The European Union's financial aid to its Southern neighbours is *half* that of assistance disbursed to its Eastern neighbours, as shown in the following table²:

2 Source IPEMED. *Palimpsestes*. No.3. May 2011. Article by Pierre Beckouche, Professor of Geography at

EU FINANCIAL AID (GRANTS AND LOANS) FOR DEVELOPMENT, 2009 (IN 2008 EUROS)

<i>IN MILLION EUROS</i>	NEW MEMBER STATES	FORMER YUGOSLAVIA *AND ALBANIA	TURKEY	EASTERN NEIGHBOURHOOD	RUSSIA	CENTRAL ASIA	<u>SOUTHERN NEIGHBOURS</u>	<u>SOUTHERN NEIGHBOURS WITHOUT PALESTINE</u>
EU OPERATIONAL BUDGET BALANCE**	11 006							
ODA EUROPEAN COMMISSION INCLUDING ENPI (PAYMENTS)	0	699	577	376	0	85	1 119	702
EBRD	2 353	975	150	1 449	2 366	536	0	0
EIB	13 582	1692	2648	100	133	0	1 569	1 569
EU	26 941	3366	3375	1 925	2 499	621	2 688	2 271
<i>IN EUROS PER INHABITANT</i>								
EU OPERATIONAL BUDGET BALANCE**	106	0	0	0	0	0	0	0
ODA EUROPEAN COMMISSION	0	30	8	5	0	1	5	3
INCLUDING ENPI (PAYMENTS)	0	0	0	6	0	0	5	3
EBRD	23	42	2	19	17	9	0	0
EIB	131	73	35	1	1	0	7	8
EU	261	145	45	26	18	10	13	11
NB: These figures must be considered as orders of magnitude, for several reasons: data from one source to another do not have an always exactly comparable definition: a (small) part of the amounts of ODA to the southern neighbourhood is partially not localised (a third of this 'non localised' has been assigned here to Palestine); roughly a hundred million non-localised euros assigned to the eastern neighbourhood by the ENPI are not taken into account in DAC statistics on ODA.				(*) Excepting Slovenia. (**) 2008, UK adjustment included. Sources: OECD-DAC for ODA; financial report of the EU Budget 2008 for the operational budget balance; EBRD and EIB activity reports. Calculations by the author.				

Above all, this official aid has been *of little direct benefit to the populations targeted* and has often been almost totally absorbed by ministries and also, unfortunately, by rampant corruption.

Moreover the *aid instruments are hardly adapted to the true needs of populations*. Imbalances have also often arisen in free trade agreements to the detriment of the southern countries. Lastly, above all from the 2000s onwards, the European Union has constantly restricted access to its territory to the southern populations, giving more and more the impression of a '*fortress Europe*', through a decreasing the number of visas, including for students or for short stays, and the tightening of its immigration laws after having been frightened in the spring of 2011 by the influx of some 10 000 Tunisians, whereas at the same time that small country of 10 million inhabitants was hosting hundreds of thousands of refugees fleeing the war in Libya.

In 2008, President Sarkozy launched his *Union for the Mediterranean (UfM)* project. I welcomed this initiative of unprecedented political priority and visibility. Unfortunately, the project started on a wrong footing from the outset: The Elysée was determined to reserve the UfM to neighbouring Mediterranean European countries, which aroused the anger of Germany and the mistrust of Northern European member states; Paris was determined to offer Turkey a substitute to European integration and membership; lastly, EU borders had to be closed tighter. After a laborious reconciliation with the non-Mediterranean countries of Europe, the epic meeting took place in Paris on 13 July 2008 with, as star protagonists, Presidents Bashar El Assad, Mubarak and Ben Ali! Rapidly, the UfM stumbled on the political conflicts prevalent in the southern Mediterranean countries, and the Paris meeting saw no follow-up. The only concrete achievement worth keeping and strengthening is the *creation of the UfM General Secretariat in Barcelona*, where a new Secretary General, Youssef Amrani, a highly experienced Moroccan diplomat, has just been appointed.

3 – HOW TO RELAUNCH A NEW EURO-MEDITERRANEAN PARTNERSHIP?

3-1 THE INSTITUTIONAL ORGANISATION MUST BE LIGHT AND ADAPTABLE TO CHANGES.

A major geopolitical project offering the prospect of a Euro-Mediterranean Union, should concern **only countries that have started their democratic transition** and which respect the fundamental values and rights of mankind. A **Standing Political Committee** chaired by the 'Mr Mediterranean' of the EU High Representative could be created. (Since, Bernardino León from Spain has been appointed by HR/VP Catherine Ashton as the EU Special Representative for the Southern Mediterranean Region). It would group the State Secretaries for the Mediterranean of each EU Member State and the State Secretaries for European Affairs of the Southern countries parties to the new partnership. It would work in close cooperation with the UfM General Secretariat tasked with projects in Barcelona, and would report to a **Standing Conference for Security and Development** led by the European Commission and composed of the ministers of both shores and, once a year, of the heads of state and of government.

3-2 PRACTICAL PROJECTS MUST PROVIDE IMMEDIATE OR MID-TERM ANSWERS GEARED TO THE NEEDS OF POPULATIONS.

The Barcelona Secretariat is tasked with drawing up investment projects requiring official aid from the European institutions and the Member States. It grants its seal of approval and validation. It has the merit of being composed of an equal number of representatives of the northern and southern countries and thus meets the legitimate determination of the southern countries to build a *balanced partnership* in preparing projects and decisions and regarding governance.

The **six priority sectors** identified by the July 2008 Paris Summit meeting of Heads of State and government are water and the environment, urban transport, higher education and research, social and civil protection, funding of the economy and safety of investments.

- **Water:** to the south and east of the Mediterranean, the management of water (access to water, purification) is a crucial issue, aggravated even more by global warming and a massive rural exodus to the suburbs of cities, often along the coasts, which increases the pollution of the Mediterranean. Yet water can become the cornerstone of a high level economic sector, giving rise to international cooperation geared to depolluting the Mediterranean, and using resources more rationally - especially for agriculture; in short making the Mediterranean an eco-region. To become operational, a Mediterranean water

strategy should be based on a **Water Agency** coordinating the means and activities of the institutions and NGOs and which would professionalise the organisation and use of Mediterranean hydraulic basins, thereby recognising that the Mediterranean is the 'basin of catchment basins' (Rhône, Po, Nile etc...).

- **Food security** is a major challenge to the south and east of the Mediterranean where population growth is rapid. Increased scarcity of agricultural land is accentuated by desertification and urbanisation. Nutritional imbalances and related diseases are also rapidly increasing. Agricultural potential is moreover threatened by poor water management. Food deficits are increasing as are imports of agricultural products from unstable international markets where prices are constantly increasing. The region is not safe from a social, economic and ecological disaster which the free trade agreements are incapable of preventing. The Arab revolutions find also their origin in price hikes of staple products over the recent years: let us not forget the hunger revolts in the region which fuelled the Arab revolt.

The European Union should therefore take advantage of the coming review on CAP reform to propose to the southern countries a **new Mediterranean agricultural and food policy** based on co-development: promoting local food crops by investing in research, training, the setting up of agricultural sub-sectors and of joint-trade organisations, and the introduction of regulations (standards and quality labels) to raise quality; laying down the bases of collective food security by activating north-south and south-south complementarities, by setting in place jointly managed security stocks for strategic products (cereals, sugar, oil), by granting a Euro-Mediterranean trade preference for all food products, and by promoting the Mediterranean food model.

- **Energy**: this is the field where interdependence is at its highest and where a long-term strategy is essential. Gas and oil supply contracts must be guaranteed for decades given the volume of investments required for infrastructures. The necessity to reduce carbon emissions is becoming more urgent. Southern and eastern Mediterranean countries offer immense potential for **solar energy** (see the DESERTEC project, for example). Energy is also the field where practical cooperation is most developed with the launch of the **Mediterranean solar plan**, and the completion and strengthening of the **Mediterranean electrical loop** around the Mediterranean basin, of which the only missing link is Libya but whose components on the south-eastern flank between Libya and Egypt, Egypt and Syria, Jordan, the Lebanon and Turkey are insufficient and incoherent. The time has come to prolong trade contracts by industrial agreements with the setting up of outfits in the southern Mediterranean. Mistrust must also be overcome between producer and consumer countries.

The main goals of a **Euro-Mediterranean Energy Community** (EMEC – decided on 21 March 2011 by the European Council) should be: ensuring the long term security of purchases and sales; setting up an industrial and technological partnership between companies to the north and south of the Mediterranean; laying down quantified goals for energy savings and the share of non-carbon energies; determining purchase conditions in the southern Mediterranean of green energy; involving southern countries in European Union strategic options; and making long-term investments safe. Arab countries must no longer be considered as solely oil and gas wells; a balanced partnership should be built sharing added value and creating jobs in the south.

- **Safety of investments**: The European Investment Bank (EIB) estimates the investment needs at approximately € 250 billion for the next ten years, for the sole southern shore of the Mediterranean: € 100 billion tabled for energy, € 110 billion for urban development (water, purification, waste processing, urban transport), € 20 billion for ports, airports, motorways, and € 20 billion for support for the development of companies. However, these needs are far from being covered: private investments are low and the available savings especially that of

migrants is not sufficiently mobilised by financial institutions.

- The creation of a **Mediterranean Development Bank** would be a precious instrument to fund investments, support SMEs, create a harmonised regional framework to protect investments and export guarantee mechanisms, as well as create financial instruments to transform the savings of migrants into long-term investment. The European Union refuses, for the time being, to create a Euro-Mediterranean Bank and proposes that the EBRD extend its tasks to this area. True, this Bank has acquired precious knowhow but decisions must be taken unanimously by representatives of countries who have poor knowledge of the region. Apart from the cases of Morocco and Egypt -- countries already EBRD members -- the effectiveness of this Bank in the region requires a modification of its statutes. This will require unanimity of its members and a period of several years.

That is why the creation of a Euro-Mediterranean Bank would be a strong signal to send out to investors from Europe and the Gulf. This Euro-Mediterranean Bank would catalyse action taken by commercial banks and investors by guaranteeing the feasibility of projects. Last, only a regional bank of this type could sustain over several decades major trans-Mediterranean projects such high-speed train links on the southern shore, electrical interconnections, and sea “motorways”.

- **Promoting the mobility of populations** such as by developing projects directly useful to populations requires organising and facilitating the movement of persons between Europe and the southern Mediterranean.

Transient mobility of persons can replace unwanted definitive migrations, if organised on the basis of a joint analysis of the needs of the various parties. It is entirely in the interest of the European Union that African students should continue to come to Europe rather than study in the United States or – increasingly – in India and China! Europe has a major interest in helping economic and social development and democracy which, alone, can lastingly fix populations in their countries of origin. It would then be possible to dispassionately organise student, occupational and family mobility maintaining the personal and professional links forged on both sides of the Mediterranean and allowing for a managed movement of persons on both shores. Indeed, it should not be forgotten that whilst Europe fears illegal immigration, the southern Mediterranean countries deplore their brain drain and loss of qualified workers!

Other projects are desired by the southern countries: transport and logistics, health, information technologies and communication, and vocational training and know-how transfers.

The Revolutions have also highlighted **the major role played by women**, many of whom are gathering together in associations to demand occupational, social and political equality. They are very active, especially in Tunisia.

3-3 WORK UNDER WAY AT THE UNION FOR THE MEDITERRANEAN GENERAL SECRETARIAT IN BARCELONA.

The UfM Secretariat has received several dozen projects of highly varying quality and scope. It screens them for consistency with its mission (regional nature or involvement of several countries, employment aid, non-discrimination, reproducibility, etc.).

During the first semester of 2011, the UfM secretariat has proposed projects concerning water, such as a major **desalination plant for the populations of the Gaza Strip**; regarding **women's rights**, the training of young female students in entrepreneurship and women's foundation; the **movement**

of students in the Mediterranean (for master and doctorate programmes), as well as the setting-up of **networks of companies** or the coordinated organisation of **land and sea transport** services.

The Gaza project could not have been adopted so rapidly without the involvement of the UfM Secretariat. The latter got the project accepted by the community of partners concerned (here the Palestinian Authority, Egypt and Israel), and then organised an investor roundtable for its funding. The project is currently in this delicate phase.

At the same time, the Secretariat leads or participates in various working groups, some aimed at organising the production and distribution of *electricity* between Europe and the southern countries, harnessing tremendous pools of solar and wind energy, and others aimed at making investments safe in this sector.

Other avenues are currently being explored with the European Commission and financial institutions: *the creation of SMEs/SMIs* which are known to be the largest job pools. These steps are aimed at facilitating loans to small enterprises and ensuring a more favourable legal environment to entrepreneurship and trade.

To accelerate projects, the Secretariat should be strengthened with engineers, specialists in the field of water, energy, health, transport, banking, and barristers, who would bolster the team of diplomats at the Barcelona General Secretariat.

3-4 A GENUINE EUROPEAN BUDGET FOR THE MEDITERRANEAN.

European funding for the southern Mediterranean countries was fixed in the 2000s. The 2007-2013 multiannual budget is now obsolete and no longer adapted to the situation of countries undergoing a democratic revolution. Admittedly, the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy proposed in their communication of 8 March 2011³, to make additional funds available, for an amount that could reach € 1.242 billion by 2013. These funds would complete the some € 5.7 billion allocated under the European Neighbourhood and Partnership Instrument (ENPI) for the 2011-2013 period. But *this amount remains insufficient*.

Above all, *the dispersion of the funders* (budget of the Union, EIB, EBRD, African Development Bank, World Bank) *is harming the efficacy of funding*. As emphasised by 'Notre Europe':

“A massive European aid plan is required and must be based on the mobilisation and coherent use of all the available European and national instruments: humanitarian aid and development aid, loans by the EIB, EBRD and national agencies, investment projects in vital sectors such as tourism and energy, and reciprocal commercial opening up, including in the agricultural field... This also implies that the EU must ensure it coordinates with major international institutions such as the World Bank, with the United States, Turkey and also Gulf countries which are also active in the region”⁴.

3 Joint communication to the European Council, the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on '*A partnership for democracy and shared prosperity with the southern Mediterranean*'. COM (2011) 200 final.

4 Column in 'Notre Europe' signed by Jacques Delors, Antonio Vitorino and the Board of Directors of 'Notre Europe'. June 2011. www.notre-europe.eu

4 – A NEW EUROPEAN APPROACH

To meet the democratic, economic and social aspirations of the southern Mediterranean peoples – whose courage must be hailed – the European Union must be inventive. Europe must imagine an exceptional approach to the Region, the soundest way of helping these countries oppose radical Islamism and counter-revolutionaries who have not disarmed.

4-1 THE TUNISIAN REVOLUTION was a wake-up call and has made Brussels understand the need to present its southern neighbours with a new European approach. This approach exists, as outlined in March 2011 and was given concrete expression in June 2011. But it remains very, if not too conventional, and still too little adapted to the immediate and mid-term needs of countries in democratic transition. *Tunisia, for instance, has two urgent needs: employment*, with unemployment already high before the Revolution. It has exploded since, and therefore tourism must take off again, and private investments likewise. Whatever the results of the elections, the EU must invent new ways of strengthening its cooperation with Tunisia. The Tunisian people must not be sanctioned for having voted one way or another. The emergency aid to organise elections should have been greater. Aid to set up complementary *micro-credit structures* should also be proposed. Failing these initiatives, there is a real risk of seeing Islamic parties and/or supporters of the bygone tyrants of the former regime win the elections. The EU must ensure that Tunisia is a success story thus rendering confidence to all Arab populations at large.

4-2 TWINNINGS along the lines of those created with the countries of Central and Eastern Europe in the PHARE and TACIS programmes would be essential to anchor southern and eastern Mediterranean countries in the modern globalized world. In these programmes, the accent should be placed on twinings between European and Mediterranean **public administrations** and also between **cities and regions** which would promote **decentralised cooperation between secondary schools, universities and hospitals** as well as spatial developments, exchanges of experience, know-how transfers, and support for professional and economic networks including for associations intervening in the health and social fields. Strong support should be given to a **highly dynamic civil society**.

4-3 Even more so, Europe must take up **THE GERMAN MODEL OF ECONOMIC INTEGRATION** of the countries of Central and Eastern Europe. Since the Fall of the Berlin Wall, Germany has located more and more SME workshops and activities in Poland, the Czech Republic, Romania, etc. Rather than see workers from eastern countries come to Germany, German capital has gone to the east. **Germany has therefore not only created jobs in eastern European countries but has also created industrial jobs in its own country.** In addition, these are up-market jobs which have strengthened the competitiveness of German companies.

This form of **multi-localisation** which avoids destroying the industrial fabric and creates added value on both sides could inspire our approach and policies toward the Maghreb. To strengthen our industrial fabric in Europe a major *information campaign must be launched for SMEs-SMIs*, which do not have the wherewithal to reach out to Asia or Latin America, but which could far more easily develop partnerships in North Africa, reaching eventually out to Sub-Saharan Africa.

Till now Europe has laboured to rise up to the importance of events unfolding on its southern shores. Let us hope that the Libyan Revolution will boost European imagination and usher in a renewed determination.

4-4 IN A MID- TO LONG-TERM PERSPECTIVE, we could envisage:

- A **Euro-Mediterranean 'Erasmus'**,
- Bringing to completion the **Euro-Mediterranean Energy Community**,
- **Other Communities on food security, water and health**,
- A feasibility study on a **Euro-Mediterranean “monetary snake”** which pre-supposes that the European Union overcomes the current Eurozone crisis and finds a new dynamic.

By launching its new southern policy, the EU will undoubtedly invigorate its own project by projecting renewed growth and strengthening itself on the global scene.

*
* *

The goal of the Euro-Mediterranean Union is neither to prepare the southern Mediterranean countries for EU membership, nor to substitute itself for the membership negotiations underway between the European Commission and Turkey, or for advanced status negotiations with Morocco, Israel and Tunisia: These negotiations will continue to be carried at bilateral levels.

But the Euro-Mediterranean Union can and must meet the challenges of globalisation.

Europe-Africa -- a major regional bloc which would be not only a free exchange area alike to NAFTA, MERCOSUR or ASEAN -- could negotiate in a far better position within international multilateral organisations such as at the WTO. Furthermore, Europe-Africa could uphold its own singular model of development based on three major principles: North-South proximity, complementarity and solidarity. Lastly, Europe-Africa could organise itself and face up to competition from China, with preferences clearly heralded for social and ecological priorities.

At the global level, power is changing scales. The ordering figures of this change have become the billion population. However, if we add the European population (500 million inhabitants in 2050) to the Southern and Eastern Mediterranean countries (SEMCs) and the Middle East (500 million), we reach this figure of 1 billion inhabitants in 2050. If we add to that sum the population of the Sub-Saharan African continent (2 billion inhabitants in 2050), the Euro-African “bloc” will reach 3 billion human-beings, in other words more than China and a third of the world population. We can thus then imagine, with Jean-Michel Severino, former Director General of the Agence Française de Développement, that *the 'twenty-first century will be African'*.

With such potential in mind, shared economic, social and ecological development can indeed be built; The Europe-Africa voice will be heard in international arenas and by other major world powers.

Andrzej Olechowski

**A MESSAGE FROM POLAND:
DRAWING LESSONS FROM 1989-1990**

What lessons can Arab reformers draw from the 1989-90 Revolutions in Central and Eastern Europe to help them transform their democratic rebellions into a lasting, sustainable political and economic modernization? What in particular can be their key takeaways from the Polish experience?

The answers to these questions proposed by politicians and experts are somewhat discouraging. For example, participants of a recent conference in Budapest agreed (as reported in the *International Herald Tribune*) that **revolutions take a long time to bear fruit** (Poland's started in 1956); that the Chinese example makes democracy harder to sell than 20 years ago; that technology is a mixed blessing, facilitating rebellion, but making it more difficult to build a common civic space; and that the incentive of European Union and NATO memberships which proved to be a powerful engine for transformation in Central Europe is simply not available to Arab reformers (even if they wanted them).

Let me try to be more constructive. *Our task in 1989 was to stabilize the economic* (inflation was running at the level of about 3 000 per cent annually) *and social situations*, and to transform the country *from one party rule and central planning to democracy and market*: A very difficult assignment, indeed. What did we do well? What makes me proud in our transformation?

I am proud of the way our economy was transformed. **Swift and radical reforms**, very painful at the beginning, instantly removed almost all of the pathologies of central planning. Companies were stripped bare of all protection, subsidies, and special arrangements that they had enjoyed under the old system. No respect was paid to their "strategic importance", political weight, tradition, past merits. They had to fight for survival with bare fists. Thousands of new companies were created daily. The result of that process was an emergence of a new economic structure consistent with market conditions. The number of failures proved to be much lower than feared by proponents of industrial policy and government interventions: A brilliant achievement of our managers, entrepreneurs and businessmen. At the beginning of the current decade they went yet again through a very painful restructuring and a period of slow growth both at home and abroad. And, once again, they delivered – companies became leaner, more flexible and more competitive. The reward is sweet. The Polish economy, which at the beginning of transformation was smaller than that of Austria, is today larger than the economy of Sweden. The unemployment rate is close to the EU's average. Poland was the only country in Europe to show positive growth during the recent financial crisis.

I am satisfied with our **democracy**. I feel safe with it. In 1989 we were impressively united in our rejection of the old system and a hope for freedom, respect and dignity. However, it soon emerged that we dreamt different dreams. While most of our leaders wanted to preserve unity, a bold (and farsighted) action by Lech Walesa brought about fragmentation of the political class. The vast Solidarity camp that dominated Polish politics shattered into smaller, competing groupings. To the disappointment of many, post-communists gained in importance. New political parties were formed, some of them awkward or radical. Politics became normal – fragmented (all our governments needed parliamentary coalitions), competitive, partisan, populist, often frustrating, sometimes worrying, but very representative of the multitude of views in a large society. And since

everyone feels represented there is no need for extra-parliamentary opposition, radical actions, street protests, etc. We had very little of that in the past twenty two years.

I am proud of the way my compatriots adjusted to the new political and economic conditions.

Perhaps the most telling example is *education*. One of the myths about Communism is that while it failed on many fronts, it supposedly provided people with good education. In fact the percentage of Poles with completed higher education in the age group 25 to 64 years is much lower than that in the EU 15. But that is rapidly changing! A remarkable phenomenon of our transformation is the boom in education. While by the end of the 1980's only 10 to 15% of young people wanted to attend universities and similar institutions, today that figure is almost at 50%. A large number of private schools have joined the established universities to deliver a vast stream of educated young people that lastingly transforms our society.

I am also quite pleased with our **institutions**. Today's Poland is not much different from other parts of the EU. The political system is based on democratic principles – human rights, free elections, rule of law. Institutions essential for the market economy are up and running - independent central bank, stock exchange, guarantees of private property rights, laws enabling free movement of goods, services, capital and people. For sure, some elements are still missing, others are still rough on the edges (as, for example, weak judiciary systems), but the resemblance with the core of the modern world cannot be denied, a remarkable achievement given the state we were in two decades ago. The Poland of 1989 was not only a country emerging from 45 years of a Soviet-type system, but also from 250 years without an own state and institutions. The decision to adopt standard European models (“*acquis communautaire*”) was the key to that achievement: it saved us from reinventing the wheel or, even worst, from building structures that would be understood only by us.

There are of course things that I am not proud of: A still weak civic society, the status of women, state-church relations, lack of an efficient and helpful civil service, and a miserable state of the infrastructure are among them.

Arab reformers will not find useful lessons in those areas.

Can we, though, find some **practical advice** in those other experiences listed above? Do they contain some kind of *lapis philosophorum* capable of turning a successful democratic rebellion into a lasting political and economic modernization? I believe they do. I believe **competition** is that philosopher's stone.

When I look at those elements that make me proud, I see the mark of competition. The leaders of our transformation did not shy away from competition. Even though they had a similar broad understanding of the goals, each of them offered very different ways of reaching these goals that paved the way to a representative, pluralistic and multiparty political system. Competition – quite obviously – is the key word for the success of our entrepreneurs and businessmen. They have embraced it and made the best of it. It is competition that drives our youths to educate themselves, and competition between schools, which has enabled the academic community to respond to that need.

That conclusion about the **key importance of competition** finds support in the experience of other nations in our region.

After the collapse of authoritarian systems, the so-called Socialist countries reacted to that opportunity and challenge in two, very different ways. One group of countries chose the same path as Poland, a path of swift and broad reforms opening up their political and economic systems and leveling them for competition. Since these countries also opted for the EU membership we can call them **the “Brussels Group”**.

Another group of countries set on a course of selective and gradual reforms aimed at preserving selected social and economic structures that were considered either strategic or socially important or too difficult to tackle, or important for interest groups in power. Since the models they chose were very different from the EU paradigm, they established their own international organization, the Commonwealth of Independent States. We can call them **the “Moscow Group”**.

The results obtained by these two groups in terms of modernization are strikingly different.

On the one hand, *the Brussels Group* (which includes the ten post-communist countries that are now members of the EU and Croatia), *has met with significant success*. Radical and comprehensive reforms produced systems that enabled that group to join the modern, globalizing and growing part of the world economy. Its exports have been growing, year after year, at double-digit levels. Foreign direct investment - which is also a proxy for integration into the global production networks - has been flowing to that group at high levels. The share of skilled labor and capital-intensive exports in total exports has also been on the increase.⁵

On the other hand, *the results obtained by the Moscow Group* (which includes Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyz Republic, Moldova, Russia, Tajikistan, Ukraine, Uzbekistan) *are not impressive*. Its systems are dissimilar from the market democracy standard (the European Bank of Reconstruction and Development measures reforms in prices, foreign trade, exchange regimes and privatization; the value of its indicator for the Moscow group is about one half of that for the Brussels group). In consequence, investors perceive the group as not robust, transparent and stable enough for deep, long-term partnerships. Not surprisingly, in terms of performance, the Moscow Group is well behind the Brussels countries. Exports are growing slower. The level of foreign investment is five times lower. The share of skilled labor and capital-intensive exports in total exports is only one half of that for the Brussels countries.

Competition is not only a way to economic success; it also works at deeper, personal level. According to The Pew Global Attitudes Project (2007), about 60% of Poles are positive about foreign companies, 68% are positive about the free market, 49% believe that the national government has too much control and while 77% observe that “our way of life is being lost”, only 62% believe it should be protected by the State. When Russians are asked the same questions only about half of them are positive about foreign companies and the free market, only about every third believes that national government has too much control, and while two-thirds believe that national way of life is being lost, three-fourths say it must be protected.

The message from the 1989-90 revolutions in Central Europe appears clear: sweeping liberalization of politics and economy in a fallen autocracy opens the way for competition that enables creativity, produces opportunities for new activities, and makes possible personal advancement.

⁵ See “Linkages between Foreign Direct Investment and Trade Flows,” in *From Disintegration to Integration: Eastern Europe and the former Soviet Union in International Trade*, The World Bank, Washington, D.C., 2006.

A competitive framework opens up people's minds, helps them to adopt open and confident attitudes. Modernization progresses fast. Conservative, gradual and selective reforms inhibit competition and result in deficient democracy, monopolies, oligarchs, and discrimination. Personal confidence and the sense of one's own worth are low, attitudes of dependence prevail. Modernization is slow.

It's the *competition*, stupid!

Volker Perthes

BEYOND THE ARAB WORLD: IMPLICATIONS FOR EUROPEAN POLICY

Taken unaware by the sudden outbreak of the Arab Spring, the European Union and the United States have had to accept their dearth of influence over these revolutionary upheavals. They may assist or obstruct, but they cannot determine the course of events. This applies even to the rapidly internationalised civil war in Libya. Whether Libya, after the fall of Gaddafi, remains divided or spirals into anarchy, whether the outcome will be a new dictatorship, some kind of tribal confederation or the emergence of a democratic system, will be decided by Libyans, not by Europe or NATO.

If anything, *the limited influence of Europe and the international community on the timing and progress of the uprisings is an advantage*. Alongside their peaceful trajectory, the beauty of the Egyptian and Tunisian revolutions was that they were autochthonous, immune to any accusation of foreign meddling. *But having little influence is not the same as escaping all responsibility*.

Discussion of Europe is conspicuously absent from the websites and blogs of the Arab Spring. This political generation is overtly positive towards Europe, but overwhelmingly cynical about European governments (if they are discussed at all).⁶ Nonetheless, the people certainly have concrete expectations of Europe: from investment and technical support in establishing democratic institutions to freedom of travel.

Europe does indeed have an interest and a responsibility to expand and at least partially revamp its cooperation with the region, especially with those states that are undergoing transformation. Change always involves risks, and Europe had its fair share of alarmists who could see nothing but trouble and danger. It is important to understand that **the risks of the process in our southern neighbourhood are largely short-term in nature, whereas opportunities predominate in the medium term** – and be that merely because better-governed states that treat their citizens better also make better neighbours and partners.

⁶ Dima Tarhini, "Inside the Arab Bloggers' Minds: Europe, Democracy and Religion",
SWP working paper, June 2011

(<http://www.swp-berlin.org/en/nc/about-swp/directing-staff/news/news/category/5/researchgroup/5226.html>).

Europe is not the only international player in the region, but the interests of other powers are much more selective. American strategic interest focuses above all on the Persian Gulf and on Israel and its immediate neighbours. It will remain involved in both arenas, as most regional actors would wish. For all their differences, the Arab Gulf states depend on American assistance to contain Iran, and even Arab states that accuse the United States of taking sides in the Middle East accept that there can be no peaceful settlement of the Israel-Palestine conflict without decisive U.S. intervention. But *Washington's strategic interests in the Mediterranean are limited.* Egypt, aside from Israel, is seen as a strategic partner, but interest in other states is secondary. Washington made that very clear in connection with the Libyan war, which it would have preferred to leave completely to its European allies.

China, India and South Korea all share rapidly growing economic interests in the region: Chinese trade with the Middle East and North Africa increased tenfold during the first decade of the century, India's eightfold and South Korea's threefold. All three run a trade deficit with the region and are consequently seeking to increase exports and win more contracts for major construction and infrastructure projects. But they will pay little attention to political processes in these countries.

This leaves Europe as the only major international actor that is tied to the region by both political and security relations as well as trade, economic and development interests. We are immediate neighbours. After the Arab societies themselves it is Europe that has the strongest interest in the success of these political uprisings.

The Arab Spring therefore continues to represent a serious test for the EU's Common Foreign and Security Policy and Neighbourhood Policy. As far as joint action by the EU and shared positions among its member are concerned, the EU has not made a good start. But the Union has often demonstrated its ability to learn.

EUROPE'S TOOLBOX

Especially where the consolidation of democratic initiatives, economic development and social stabilisation are concerned, *there is a role for Europe.* The political, social and economic problems that sparked the Arab uprisings offer useful starting points for European policy initiatives. It is also important to ensure that the new democratic governments in Tunisia, Egypt and other states are not dragged down by problems inherited from their predecessors.

Political and institutional reforms are essential. States that guarantee individual liberties, human rights, rule of law, democratic participation and transparency give their citizens greater confidence and thus release greater development potential in society. Outside support is needed here, but must involve more than good advice.

There is a great deal that the European Union and its member states can do to support the political transformation process in the Arab states. As well as numerous measures already in the EU's tried and tested toolbox, so to speak, there is also *a need for stronger political messages and a clear general stance towards the region and its societies.*

Europe needs to set its priorities clearly.

- First and foremost **support must be given to states that are moving towards democracy** or attempting to consolidate nascent democratic processes. In other words, the EU should concentrate much of its political energy and resources on making a success of **Tunisia and**

Egypt. A successful transformation process in these two states will radiate out across the region. Given fortuitous political developments, that could mean the Palestinian territories, Lebanon, Morocco, and perhaps one day even Syria. Not all of these states will need or want the same kind of support. If Jordan joins the Gulf Cooperation Council it might not exactly be “lost” to Europe (which would suggest it was “ours” in the first place) but would probably tend to rely on help from the Gulf and show little interest in meeting European conditions for support and demands for reform.

- Such a European orientation would also send **a message to other states**. It should contain a clear statement of intent that relations with states on a democratic development trajectory will become closer as they progress. This can, and should, include the option of **a new form of association with the EU**, to open up the *prospect of full access to the internal market* with its freedom of movement for goods, capital, services and people.⁷

Europe has its own experience with democratic transformation processes and can supply much that is needed to support such processes in other countries, starting with assistance organising free elections and election monitoring, and also including help in reforming the police and judiciary. And it encompasses a whole series of rather unexciting but very important topics: general legal reforms; drafting a modern labour law and regulating relations between employers and trade unions (including rules for strikes and collective bargaining after the legalisation of free trade unions and industrial action); anti-trust legislation and rules for transparency and responsibility in business; and not least the establishment of effective social insurance systems. *Market-opening measures remain important, but should encourage job creation and must, if they are not to undermine the political process, go hand in hand with a credible social policy.*

The overall importance of the Arab states for the European economy is likely to increase, especially considering **the demographic structure** of these countries.

These are young countries that are set to become more dynamic as they shed the chains of authoritarianism. In Egypt, Morocco, Syria and other countries in the region 20 per cent of the population will enter the labour market for the first time during the next ten years. That is an economic and labour market challenge of course. But this generation will also be seeking education, housing, consumer goods and communication, opening up new opportunities for the producers of consumer and investment goods as well as for businesses involved in housing construction, health, education, energy infrastructure construction and electricity generation. European businesses involved in the region’s growing markets can (and should) themselves support the democratic transformation process, for example by committing to the working conditions, employee rights, environmental protection and transparency standards that apply in their home countries, and by offering proper training themselves or supporting training in state-run institutions and in local companies. Most companies know that such investment will literally pay for itself.

AN OPEN EUROPE: COOPERATION FOR MUTUAL BENEFIT

The political transformation processes that have taken hold in Egypt and Tunisia will take time and effort, and they are themselves contested. Their details will be controversial, triggering disagreement, opposition and disappointment, and they can and will experience setbacks. In order to encourage progress towards democracy Europe must make it clear that that is what it wants itself.

⁷ See Alvaro de Vasconcelos, “The shared goal of a Euro-Mediterranean community of democratic states”, in: European Union Institute for Security Studies, “The Arab democratic wave”, *Report No. 9*, March 2011.

The EU should present itself as an “open Europe” and offer the transformation states a new form of partnership that is not only intergovernmental but also draws in the societies involved. Openness should relate to people as well as goods. Although the EU has concluded free trade agreements with Tunisia, Egypt, and other Mediterranean states, it still maintains protectionist rules that need to be abolished. For example agricultural imports from Egypt are restricted by seasonal quotas.

Relatively speedily after the uprisings in Tunisia and Egypt the European Commission presented plans for a “Partnership for democracy and shared prosperity”.⁸ This correct approach needs to be concretised and implemented, including financial assistance and improved market access. Greater openness to the people of these countries is even more important: of the “three Ms” discussed in European institutions – *money, market and mobility* – the latter is certainly the most important in connection with the Arab transformation states.

The region as a whole is not poor, and a “Marshall Plan” of the kind often proposed would be more likely to make these states dependent than to solve their core problems. The EU and the international financial institutions are rightly willing to lend financial support to help these countries overcome their economic difficulties, but they cannot offer more than Saudi Arabia or Qatar. As already mentioned, the issue of *market access* still causes some difficulties in Europe, with a certain degree of competition between countries south and north of the Mediterranean. The abolition of particular trade barriers would help, but hardly more than an increase in the number of European tourists or granting young people from these countries easier and sensibly managed access to the European labour market.

What Tunisia, Egypt and other states setting out down the road of democratic transformation need most is a strengthening of their own capacities. This could be supported by a comprehensive pact for training, work and energy designed to promote vocational training in these countries but also including a programme directed directly at university graduates from Arab transformation states whose lack of professional experience makes it all the more difficult to find a job matching their qualifications. Tens of thousands of young engineers and doctors, architects, accountants or MBAs are unemployed.

Europe by contrast, because of its own demographic structure, needs immigration (be it only temporary) of young and skilled workers, above all in technical professions and in the health service. A programme for several tens of thousands of graduates annually should therefore encompass traineeships in European firms as well as multi-year work permits, allowing young skilled workers to acquire sufficient experience to go on to found a business in their own country (possibly with the aid of a business start-up loan from a European Development Bank) and themselves provide jobs and training to others. A long-term programme of this kind would send a clear message that there are better alternatives to illegal immigration.

Young people in Tunisia or Egypt would instead be motivated to complete their studies in order to apply for a programme that promises them several years of legal employment in Europe, the acquisition of new skills and a certain amount of start-up capital. And it would be a programme that benefited both sides, Arab and European.⁹

⁸ European Commission, “A Partnership for Democracy and Shared Prosperity with the Southern Mediterranean”, 8 March 2011, final (http://ec.europa.eu/commission_2010-2014/fule/headlines/news/2011/03/20110308_1_en.htm).

⁹ For more detail see Volker Perthes, “A European Opening for the Arab World”, *Project Syndicate*, 2 May 2011 (www.project-syndicate.org/commentary/perthes8/English), and with further recommendations for

The same applies to a longer-term *energy partnership*. Europe's energy relations with the southern Mediterranean region remain very one-sidedly focused on oil and gas imports. But that could be changed. Europe needs clean energy and will not be in a position to produce all its own needs. The countries of North Africa also need energy, especially electricity and new transmission grids for urban and industrial development. And they offer the best conditions for large-scale solar thermal electricity. "Desert electricity" can be produced more cheaply than renewables in Europe and is cleaner and safer than electricity generated from coal, gas or uranium. It must, however, be transported over great distances. In the long term that will be worthwhile; in the short term European investment in solar (and wind) power in North Africa should serve above all to improve the local electricity supply.¹⁰

BASIC RULES FOR EUROPEAN POLICY

There are, to conclude, a couple of general rules that Europe should take into account in its dealings with the states of the region, especially in the wake of the Arab uprisings.

European states and politicians should avoid expressing abstract support for democratic transformation processes in one or other Arab country while at the same time wishing for a particular outcome. Foreign actors must understand that they cannot pick the winners of democratic processes, and must avoid creating the impression that they would like to. The credibility of the young Arab democracies will depend on the acceptance of decisions by foreign partners, including election results that may run counter to the preferences of these partners or donors.

Instead *mutual confidence must be built*, even with actors we do not yet know and to whom we should extend a "trust bonus". That will not always be easy for European leaders, especially when these actors belong outside the traditional client base of European institutions and are perhaps sceptical towards Europe or the West. It might be helpful to remind ourselves now and then that the problem in Egypt, Tunisia, Syria, Algeria and elsewhere was not these new unknown actors but actually persons who had been known in Europe for a very long time and often held in high esteem.

Amidst the detail of the region's political, economic and social transformation processes, *Europe cannot and must not ignore its geopolitical rivalries and conflicts.*

Nor can Europe rely on the *United States*, as the most important external actor, always automatically doing the right thing. It is true that the United States are indispensable here. They have greater influence over regional actors and can give individual parties credible security guarantees. But in order to achieve fair solutions and securing them politically and economically, Europe has to play its part. Only a fair solution that can be accepted by both sides, *Israelis and Palestinians*, can bring about lasting resolution and eliminate this permanent source of tension in the region. Until Israel and the future Palestinian state have settled their territorial dispute – which is the core of the conflict – Israel will never be regarded as a full and equal regional partner. Which also implies that many sensible and necessary opportunities for cooperation will remain untapped: in commerce and trade, environmental protection and regional water management, and of course in the realm of security.

action Muriel Asseburg, *Der arabische Frühling: Herausforderung und Chance für die deutsche und europäische Politik*, Berlin: Stiftung Wissenschaft und Politik, July 2011 (SWP-Studie 17/2011), 26–31.

¹⁰ See in more detail Isabelle Werenfels/Kirsten Westphal, „*Solar Power from North Africa. Frameworks and Prospects*”, SWP Research Paper 2010/RP 03, May 2010.

Although the uprisings and revolts in the Arab states have transfixed international and regional attention, *the Palestine conflict* (specifically the occupation of Palestinian territory and the unfulfilled aspirations of the Palestinians to independence, liberty and dignity) *remains the most important element of radical Islamist and nationalist mobilisation*. Indeed, Europe's credibility in many Muslim societies still depends substantially on it at least actively attempting to bring about a fair resolution.

Europe is well advised to work together with regional actors, especially concerning efforts to resolve protracted conflicts. This will naturally also involve states that have to date evaded or resisted political change.

The EU (and even more so the United States) should *avoid repeating the mistake of dividing states into "moderate" and "radical"* on the basis of their geopolitical orientation, which often led the West to overlook the deplorable state of human rights and political development in regimes classed as "pro-Western" or moderate. Europe, like the other international powers, cannot therefore simply renounce cooperation with important regional states.

In dealing with *Saudi Arabia*, for example, much more use should be made of existing good relations for an honest dialogue that makes it clear where shared interests and differences lie while at the same time offering support for a domestic reform process that is still much too cautious. Criticism of human rights violations, discrimination against women and members of the Shiite community, or repression of civil protests in a neighbouring state is not interference in internal affairs; not even when the recipient is such an important trading partner.

Europe must also be open and honest about its own interests. European states, like all others, have economic, political and security interests that sometimes require cooperation with authoritarian regimes. Even under Mubarak, we needed Egypt for the peace process, as a trade route and as an economic partner; we will continue to need Saudi Arabia for its oil, but also as an export market and for its regional influence. Similar considerations apply to other states in the region. There is nothing reprehensible about that, as even the citizens of Arab states protesting against their regimes acknowledge. But it would enhance the credibility of the EU and its member states if these interests were clearly stated, rather than cloaked behind sugary declarations.

In its on-going dealings with this region, which is such an important part of its neighbourhood, **Europe will have to redefine its understanding of "stability"**. Europe has a vital interest in political and social stability on its borders, and regional stability is a central concept in European policy. Fundamentally there is nothing wrong with that. But Arab autocrats hijacked the concept, presenting themselves as guarantors of national and regional stability and often enough asserting that their regimes represented the only alternative to Europe's fears: instability, chaos, terrorism and the victory of radical Islamism. As it turned out, these regimes were stagnant rather than stable. *Many a European leader confused stagnation with real stability*. Europe should on no account abandon the goal of stability, but instead develop a dynamic understanding of stability – an equilibrium that permits change and transformation. Europe knows from its own experience that political systems are most stable if they are based on a division of powers, public and parliamentary control of the Executive, and naturally regular elections that allow a peaceful change of government.

One may doubt whether politicians and the public in Europe have really understood that the people who made the uprisings and revolutions in the Arab states have sounded a political signal far and wide beyond the Arab world, and in the process done a great service for European democracy.

China's rising power in the worldwide competition of political models had increasingly forced Europe's democratic market economy model onto the defensive. Many thought that the authoritarian capitalist Chinese model based on harmony, growth and wise leadership (as opposed to individual freedom, human rights and democracy) was the more promising. Although the political transformation process in the Arab world has just begun, the revolts have shown that the great Chinese narrative of harmonious authoritarian growth capitalism, so popular among Arab elites as well as in Iran, Central Asia and many African states did not offer a perspective to the young generation. Instead this generation showed how vital the desire for democracy and liberty remains, even in states that have long sought to repress it. *Many a European leader confused stagnation with real stability.*¹¹

Euphoria is a poor political counsel, but fear is worse. Transformation processes are always difficult, and always take longer than their protagonists and outside supporters would wish. That was the case in Russia and Ukraine, it also showed in early political initiatives launched by the European Union with an eye to the Mediterranean region and the Middle East. But Europe's interest in the success of these transformations is hardly smaller than twenty years ago in Eastern Europe.

Stefano Silvestri¹²

ARAB CHANGE AND EURO-MED SECURITY

THE CHANGES

The on-going process of change of the Arab societies (the so-called "Arab Spring" can be better identified as an "Arab Change") is the beginning of what will be a very long route, unsettling existing equilibria. It is profoundly affecting the Arab regimes and the stability of the entire Mediterranean region, but it is not the only significant transformation of the strategic setting.

Since the II World War, the United States has been the dominant military player in the Mediterranean, but after the end of the Cold War it has constantly reduced its military presence, in line with the withdrawal of the Forces stationed in Europe. The strategic relevance of the Mediterranean for the United States has shrunk. The limited effort displayed by the US during the Libyan conflict is a case in point. After a short initial phase, the bulk of the Forces employed has been European, even if the overall military command of the operations has still been attributed to NATO. Other regional actors exercise a growing influence in the area, like Turkey (a NATO member and a EU candidate), Egypt, Saudi Arabia and Israel. Also emerging outside powers are increasingly present, starting with Russia, but including China, Japan, South Africa, India and Brazil.

The EU and NATO have both their Mediterranean and Middle Eastern initiatives, but the security and defence relationship with non-European countries is mainly managed directly by each

¹¹ For a more detailed discussion of this topic see Stefan Mair und Volker Perthes, "Ideen und Macht: Was definiert die relative Gewichtsverteilung in der Welt?" *Internationale Politik* 66 (May/June 2011), 10–23.

¹² *Many thanks to Marta Dassù for her very useful comments and contributions.*

individual European power. Of particular significance are France, the United Kingdom and Italy, but also Spain and (more indirectly) Germany. In fact, bilateral security relations have been more important than the multilateral ones.

Europe is not threatened militarily in any significant way by the countries of the region, but the Mediterranean remains essential for its security and prosperity. The Mediterranean sea lanes are of great relevance, for trade as well as tourism, fishing, etc. An increasing number of energy supply routes crisscross this region (by ship, tube or cable). The Mediterranean is a central part of the European economy.

The same is true for the European security. Organized crime, terrorism, illegal migrations are among the unconventional threats and risks requiring a Euro-Mediterranean strategy. The Mediterranean is too much integrated in the European security system to be used as a “barrier”, a “wall” insulating a “fortress Europe” from all the surrounding turmoil, or at least from the “Southern troubles”.

At the same time however the European countries should acknowledge some *shortcomings of their own*, such as:

- the *limited economic resources* still available for their foreign policy commitments in a period of budgetary crisis and slow growth
- the *dispersion of their military resources* among the various countries, the excessively high level of expensive and ineffective duplications, the paucity or even complete absence of some key military assets (see for instance the operations in Libya and their dependence from a number of American “enablers”)
- the existence of *different and sometimes conflicting political priorities* among EU Members on key questions such as Turkey, Libya, Israel and the Palestinians, etc.

THE MEDITERRANEAN

The entire Northern shore of the Mediterranean Sea is united as part of the EU and/or NATO, while the Mediterranean region has strategically expanded to include Saharan Africa, the Black and the Red Seas, as well as the Gulf. Furthermore, the Middle East has become Greater, encompassing Iran, Afghanistan, Pakistan and the former Soviet Central Asian republics.

The main security policy of the EU has been its own enlargement which has now reached its final phase: it may include some more Balkan countries and possibly Turkey, but it is highly unlikely to proceed further. The EU is obliged to conceive a foreign and security policy approach, towards countries and regions that will remain external to it.

To do so, the Europeans have established many new instruments and policies, to the point of excess. Consider the Mediterranean: the last initiative, before the Arab Change, has been the (highly ineffective) Union for the Mediterranean. It coexists with the Euro-Mediterranean process of Barcelona, the Neighbourhood Policy, the enlargement negotiations, the customs union with Turkey, various Association agreements, the Stabilization Process in the Balkans, a number of selective agreements between individual Mediterranean countries and the EU on economic aid, teaching, research and development and so on, other sub-regional cooperation schemes like the 5+5 in the Western Mediterranean, the partnership with the Gulf Cooperation Council, NATO’s Mediterranean Initiative, the relationship between the EU and the African Union, and many others. These include the European involvement in the Quartet, but most of all the complex web of bilateral

agreements among European and non-European countries on an array of security subjects like migration, anti-terrorism, Intelligence and so on.

All these relationships are now put at risk by the Arab Change, mostly because neither the EU nor the single European countries have been able so far to produce a credible, coherent and common approach towards it. The major European powers have been slowed down by the intimate relationships established with the old regimes. A partial reassessment has taken place with the decision to intervene militarily in Libya, with the support of some Arab States and of the Arab League, and with the direct commitment of NATO. However, the European divisions over the question of the use of force (even with the UN blessing) remain and slow down the process of articulating a renewed strategic approach.

THREATS AND RISKS

The process of *defining a common security strategy should start from the identification of the main threats and risks that the EU is obliged to confront*. Perceptions differ, thus this is just a provisional first list:

- a. **Proliferation of nuclear weapons** (and the multiplication of intermediate range missiles and of other weapons of mass destruction). We expect a growth in the number of nuclear power plants in the Middle East, as well as the spread of nuclear technologies and competencies. Should Iran acquire a military nuclear capacity, other countries could follow (from Turkey to Egypt or Saudi Arabia). Israel is already a military nuclear power. Chemical weapons have been used in the past (by Egypt, Iraq, etc.) and biological weapons can easily be developed. While terrorists may gain control of some of these weapons and may want to use them against Western countries, the most likely scenario is for these weapons to be used in regional confrontations (for deterrence or, pessimistically, fighting purposes).
- b. **Spreading of terrorism.** One of the consequences of the Arab Change and of the relative success of Western anti-terrorist actions is that Islamic “salafi” terrorism seems to undergo a period of relative decline. However, it is also multiplying its cells in many countries, both in the Islamic world and in Europe, while the threat of new “home-grown” terrorism increases. None of the recent terrorist attacks had the organizational complexity and the impact of those conducted in the past by al-Qaeda, but the greater dispersion and diversity of the terrorist groups, and their weak structural links with the ideological centre increase the difficulties of anti-terrorist strategies. The absence of a decisive success in Afghanistan (and in Pakistan), notwithstanding the killing of Osama Bin Laden, maintains the appeal of the terrorist message. The civil war and the crisis of the state in Somalia and Yemen bear the risk of the establishment of new safe-heavens and logistical bases for terrorists.
- c. **Organized crime.** Terrorists frequently interconnect with organized crime, for logistical or financial reasons. The impact of organized crime on the security of the Mediterranean and Middle East should not be underestimated. Criminals gain enormous resources from the production and trade of drugs as well as the smuggling of weapons, persons and other goods. In some cases they have the means to control large territories and even to wage small unconventional wars and disrupt profoundly the rule of law. Some countries may evolve into full “Kleptocracies”, or “Mafia States”.

- d. **Piracy** is a form of organized crime strictly connected with State failure and Kleptocracies. It has expanded from the South China Sea and the Malacca Straits to the Indian Ocean, the Red Sea and Southern Atlantic. The attempt to fight it in the high seas is expensive and of limited effectiveness. Past experience shows that the direct intervention against the piracy's land bases is the best way to solve the problem. So far this has not proved possible as all major powers shy away from new military land interventions and are afraid to become entangled in long and difficult operations of stabilization and state building.
- e. **Illegal migration** is mostly controlled by organized crime and remains one of its major sources of financing and recruiting. The illegal status of many immigrants and their economic dependence makes them an easy target for blackmailers and criminal recruiters. While most of the illegal immigrants are people who "overstay" their visa, the Southern troubles multiply the number of illegal entries by sea. A large amount of these migrants, however, may legitimately apply to be recognized as "refugees" or make use of other forms of protected status. There is no clear and common European approach to the asylum question, nor a common management or common procedures to confront this problem.
- f. **Crises of governance** in many Arab countries (and in the Balkans?), religious extremism, terrorism and organized crime are among the forces threatening the survival of governments and of the State itself. The impact of these negative forces is greatly amplified by the structural and political weaknesses of many Arab regimes. Cases in point are Lebanon, Afghanistan, Yemen, but the aftermath of the Arab Change may increase their number (Syria? Libya? Others?).
- g. **Violent and widespread sectarian confrontation among Muslims.** While the beginning of the Arab Change has had very little or nothing to do with religion, the following developments, especially in the Mashreq and the Gulf, could promote a larger confrontation among Islamic factions and among the States championing them. This would weaken the rule of law, threaten domestic consensus, give inroads to religious fundamentalism and possibly to terrorism, multiply violations of human rights and hamper relations with the West.
- h. **The Sahara, a sea of sand and troubles.** The great desert is also a region of low or bad governance, radical Islamic diffusion, humanitarian emergency and widespread conflicts, from the Spanish Sahara to Darfur, the Horn of Africa (and Somalia), Chad and Central Africa. The old desert routes as well as tribal and religious identities cross national boundaries and increase conflict interconnections. Salafi terrorists operate from Western Sahara to the Horn of Africa. The Europeans have a substantial military presence in this region, while the Americans are increasing theirs (as in Djibouti). The EU is establishing stronger links with the African Union and is managing some initiatives in the area. However, the weakness of local governments and the sheer dimension of this region have so far thwarted the efforts to increase its overall stability and security.
- i. **The problem of Iran.** The point is frequently made that Iran (and in a lesser way Syria) is the new devil to be exorcised, possibly by force. The argument goes that Iran is behind Hamas and the Hezbollah, is supporting religious fragmentation in

Iraq, will sooner or later threaten Israel and the world with nuclear weapons etc. Each of these accusations is at least partially credible. The fact that Iran is undergoing a complex period of domestic turmoil which may significantly modify the nature of its regime and its internal balance of power makes the problem more intractable and increases the risk of a dramatic confrontation.

- j. **The Palestinian-Israeli conflict.** Sadly, it is not approaching solution. On the positive side there is the attempt of many Arab governments to disentangle themselves, as far as possible, from the conflict. On the negative side, the Quartet peace initiative results have been inconclusive and both the Israeli Government and the Palestinian Authority are proving incapable of staging meaningful bilateral negotiations. Unfortunately, one of consequences of the Arab Change may very well be a stronger anti-Israeli posture of the Arab countries. The likelihood of unilateral initiatives increases. At the same time, the use of military force grants declining political dividends while the greater reliance on the use of the Army as the only security provider is putting a heavy burden - political, ideological and economic - on the Israeli society. Moreover, the strategic position of Israel in the region, which has been steadily improving for many years, has now started to head on the opposite direction. The present stalemate seems to be brought about by the relative weakness of all the players. This also means, however, that should unforeseen events occur or a major crisis develops from unchecked unilateral decisions, no player may have the resources to control it.
- k. **Widespread environmental crises,** including shortage of strategic resources like water and food (agricultural crises). Climate changes and bad management of natural resources are among the aggravating factors, as well as bad governance, corruption and criminality, impacting on an already fragile ecosystem. Urbanization, population growth, widespread pollution are a common feature of many Mediterranean countries. Declining water resources cannot easily meet increasing demand from industry, agriculture, tourism and the growing urbanized areas. Unequal distribution of these resources is already igniting international conflicts.
- l. **Energy security.** While some scenarios may involve short term disruptions of oil and gas exports from the region, it remains unlikely that they will suffer any long-lasting block or a complete cut off. Energy security should be considered in a much wider, global framework, including the other energy exporters, the energy policies of the importing countries, alternative sources of energy, sea and land energy transportation routes, etc. Energy interests and considerations will certainly continue to loom large in the definition of any policy towards these regions but could be viewed as a long term, permanent factor.

CHANGES DIFFER AND RESPONSES SHALL DO THE SAME

While the winds of change have swept the entire Arab world, their consequences have been different, country by country. Trends differ in North Africa (Maghreb) and in the Middle East (Mashreq). The old slogan of the “Arc - or Crescent - of Crises” (widely used by external observers, since its formulation by analysts such as Brzezinski, Gasteyger and Joffé, at the beginning of the ‘90s) had the very negative consequence of amalgamating a large number of very different crises and risks in a single gigantic compound, as if a problem in Morocco or in Somalia could be

confronted in the same way, have the same origins and characters or produce the same effects as a problem in Iraq or in Oman.

The EU should conceive as many different approaches as the situation requires. Difficulties and delays notwithstanding, Tunisia looks like the first country that may establish an embryonic democratic system. Egypt, after a military coup d'état, may develop some form of military/Islamic semi-democratic regime, loosely and improperly compared with the Turkish one. The Moroccan Kingdom has been able, so far, to maintain a sufficient level of domestic consensus, legitimacy and credibility, slowly arranging its evolution towards a constitutional monarchy. Algeria has been impervious to political change, and its regime remains in control, at least for the time being. Only Libya is experiencing a complex civil war still open to different, possibly dramatic, endings (Islamic democracy, partition of the country, failed state...).

In the Middle East, a brutal military repression is going on in Syria and an intricate civil war is shattering Yemen, the Israeli-Palestinian confrontation may reach new highs, Bahrain is under military control, the medium-term stability of the Saudi Kingdom and of the Emirates of the Gulf remains in doubt and the survival of the Lebanese democratic regime is threatened. The Jordanian Kingdom has been able, so far, to withstand its domestic political crises, possibly trying to follow the same evolutionary path of Morocco, while the situation in Iraq will be better understood only after the full withdrawal of the American Forces.

The decision of the Moroccan and Jordanian Kingdoms to apply for membership of the Gulf Cooperation Council is an interesting development, underlying the trans-national nature of the Arab Change. It suggests the possibility of a third subdivision: a group of all the Arab Monarchies, irrespective of their geographic locations. However, it is not yet clear how serious and important this evolution will be in the medium-long term.

Thus, the situation advocates the opportunity of a differentiated approach towards North Africa and the Middle East. In the first case *the EU may be able to develop a significant political and security initiative, strengthening it with greater economic cooperation* (albeit the question of Libya will have to be confronted and may slow down the process). In the second case, *the security cooperation will come second with respect to military security and the need of local governments to reinforce their chances of surviving the many international and domestic challenges awaiting them.* This also suggests that while the EU will have to be the leading actor for North Africa, the United States will maintain its pre-eminence for the Middle East.

Two problems could complicate the picture. The first is *the domestic political evolution in Egypt and possibly Jordan.* While it gives a greater say to the people and to the opposition parties, it could also change the foreign policy of these countries - in particular with regard to Israel and the Palestinians. The second is that *religious and fundamentalist political movements play a marked role in the protests in the Mashreq.* This could negatively affect the political aftermath of the Arab Change, even if the flexible and empirical approach shown by the majority of the Muslim Brothers has led them to support the democratization process to date.

EUROPEAN SECURITY PRIORITIES FOR THE MEDITERRANEAN

After the failure of its Mediterranean regional multilateral schemes, the EU is now promoting a bilateral approach modelled on its Neighbourhood policy. However, it lacks the coherence and the resources needed to make it succeed. Any policy will require significant budgetary pledges over a long period. While presently the European Security and Foreign policies are mainly financed through the voluntary contributions of Member States, it would seem more appropriate to consider the possibility of an increase of the EU own resources.

Some *priorities* can be identified:

1. **Securing the Maghreb.** The Western Mediterranean is the immediate security priority of the European Union. Morocco, Algeria, Tunisia and possibly Libya, not only are important trade partners of the EU, but are also the obvious interlocutors to control illegal immigration, various forms of criminality and terrorist threats to Europe (especially Southern Europe). Problems exist among these countries (the borders between Algeria and Morocco, between Libya and Egypt, etc.) as well as some conflicts (former Spanish Sahara, Plazas de Soberania etc.). The Algerian control over its desert territories (where terrorists and criminals thrive) is weak and uncertain. Determined efforts should be made to help these countries evolve peacefully and to help them solve their development problems. Strong support to the on-going modernization and democratization efforts should be an integral part of the European policy.
2. **The Libyan war.** Hopefully we are witnessing the end of Qaddafi's resistance, which will open the possibility of a new and more acceptable regime. However, should the present war continue, the greatest risk is a de facto partition of the country in two or three pieces: an evolution that may easily evolve into a chaotic and generalized civil conflict, and possibly a new failed state. Such a risk must be avoided at all costs, including the dispatch of land forces (a possibility that should be carefully evaluated and made known to the interested parties if need be). EU and NATO should work together.
3. **Confronting illegal migration by sea.** Southern troubles have added impetus to the use of the sea for illegal migrations. Overcrowded and obsolescent vessels put at risk the life of the migrants. The few existing refugee camps are largely insufficient. It remains very difficult and sometimes impossible to identify legitimate asylum seekers. Enormous problems exist on the Southern shore too, given that the Mediterranean Arab countries are also transit countries for many migrants. Their refugee camps are grossly inadequate and the respect of basic human rights is doubtful. A common European migratory policy is needed, to establish a clear and single rule of law and to share the burden of significant migratory waves. Such a policy should establish a common approach towards the transit countries, to help them to achieve a higher standard in managing the migrants and, more in general, displaced people of all kinds. A joint Euro-Med approach may also simplify the identification of the legitimate asylum seekers, before their arrival on European shores.

4. **Making use of a multilateral framework to establish a cooperative approach.** One example may be the 5+5 Initiative, launched in Rome in 1990 and finalized in Algiers in 1991. It brings together five European countries (France, Italy, Malta, Portugal and Spain) and five North African countries (Algeria, Libya, Morocco, Mauritania and Tunisia). It was originally aimed at encouraging the integration of the Maghreb Union. It includes a political and a defence and security dialogue as well as an inter-parliamentary dialogue. Suspended after 1991 because of UN sanctions against Libya, it returned to full operation in 2001. In 1994, a similar French-Egyptian initiative (the Mediterranean Forum for Dialogue and Cooperation) was set up. In 2010 a proposal was put forward to extend the 5+5 to Greece and Egypt and absorb the Forum into it, but met with the Algerian opposition. The two initiatives however could easily represent a starting point for a new European Northern Africa Forum to promote security and democracy.
5. **Egypt is a key priority.** Egypt is the most important Arab country and naturally links North Africa and the Middle East. Its process of change is complex and uncertain. Its military regime is supposed to end with new general elections that may see significant gains by the Muslim Brotherhood, but also an important presence of lay parties. It remains to be seen if an acceptable and working understanding has been reached between the moderate Islamic factions and the military. An important signal has been a greater willingness of the Egyptian government to have better relations with Hamas, increasing the diffidence and worries of the Israeli. While the West has long lasting and established relations with the military, it lacks any equivalent line of communications and trust with the new civilian parties and leaders. This situation must be urgently corrected.
6. **Turkey and the EU.** Turkey today boasts the only pro-European Islamic party in the world. It is a new political reality, created by imaginative leaders such as Prime Minister Erdogan and President Gül. A pro-European Turkey will not last indefinitely. Already now the Turkish foreign policy in the Mediterranean presents a number of ambiguities. It would be a grave mistake to ignore or to humiliate Turkey, given its obvious strategic value for the management of Mediterranean crises. If the political obstacles to Turkish entry into the EU look insurmountable, the EU needs to propose a credible alternative, recognizing its failure to maintain its own commitment.
7. **Strengthening European relations with the Gulf countries.** The Gulf Cooperation Council was set up in 1981 by Saudi Arabia, Bahrain, the United Arab Emirates, Kuwait, Oman and Qatar. The Council's agreement to cooperate with the European Union dates back to 1990 when negotiations were opened for a free trade agreement. Those negotiations have never been concluded. In the meantime, however, the dialogue has deepened to include political, security and stability dimensions. The time has come to conclude the free trade agreement positively and to launch a real EU-GCC strategic partnership with a much more explicit and strong political, security and defence dimension (see the next point).
8. **Iran and the Gulf.** The Europeans should confront the problem of Iran and of the fragile strategic situation in the Gulf, which is due to the domestic problems of the Arab countries and the likely worsening of sectarian religious conflicts. While Europeans should maintain a high degree of political and economic pressure over

Iran, through a combination of sanctions and continuing diplomatic dialogue, new initiatives could be conceived in parallel, One course of action might be based on a combination of containment and deterrence – in an effort reduce Iran’s freedom of action - and reinforcing a group of allied countries in the region. Various Gulf countries have expressed their interest to establish stronger ties with NATO, and the Alliance is building up an interesting cooperation framework.

A joint approach could be conceived, linking together the EU and NATO with a group of willing Arab countries, to foster a policy of peace, cooperation and stability. Common guidelines (and eventually some guarantees) could be established against the threat of use of weapons of mass destruction in the region. Such an initiative could avoid singling out any specific “enemy” country, but be presented as to protect and defend those joining it against any possible threat, as well as promoting some common initiatives. In particular, an economic protocol could favour financial investment from rich energy exporting countries towards other countries of the Euro-Mediterranean initiative, according to well defined priorities to be established jointly. In other terms, it may be possible to conceive an international initiative aimed at strengthening inter-Arab cooperation and security and at supporting good governance and diminishing the pressures of radical fundamentalism. The Gulf States, in exchange - while benefiting from more explicit international security assistance and guarantees - could also avoid being accused of isolating themselves from the Arab world and gain more regional solidarity, thus frustrating the emergence of a dominant Iranian power in the region.

9. **Non-proliferation.** To strengthen the nuclear non-proliferation regime, some confidence building measures could be proposed to all the states of the region (including Israel). These might include the internationalization of uranium enrichment plants, a general test ban agreement, the inventory and possibly the establishment of an upper limit on the number of longer range missiles, etc. Even were no agreement to be reached in the short or medium term, the initiative of collectively proposing these or similar measures would already increase the reciprocal confidence among Arab and Western countries.
10. **Israeli-Palestinian peace process?** In the short term there is no solution. On the contrary: the Palestinian initiative to bring the question of its independence to the UN General Assembly is likely to add to the rigidity of the Israeli Government (which, however, is not proposing any alternative course of action). The risk of a new violent crisis in Southern Lebanon increases with the worsening of the domestic situation in Syria and the greater international isolation of this regime. Egypt and Jordan seem less willing than in the past to de facto cooperate with Israel in order to contain Hamas and other radical groups. The Hamas and the Hezbollah questions are difficult to tackle, given the radical postures of these two movements. However, diplomatic and/or unofficial contacts with these parties are a necessity, if any to better understand their positions and to favour their evolution. Because it seems unlikely that Israel will be influenced by European positions, the initiative remains in the American hands.
11. **The BRICs.** China, Japan, India and Brazil are increasingly present and active in the Mediterranean region, also with military forces (a Chinese frigate was sent to the Mediterranean at the start of the Libyan crisis, Japan has established a military naval

outpost in Djibouti, China, Japan and India participate to the anti-piracy operations, Brazil is strengthening its Navy and has important economic relations with Morocco, etc.). Russia maintains significant relations with Iran and has growing interests in the entire Middle East. Any European security policy for the Mediterranean and the Middle East should develop a system of permanent consultations with these powers, to avoid misunderstanding and to search for a commonality of interests.

12. **A wider approach?** Should a stronger European security policy consolidate in the Mediterranean region, it may be useful to consider a new Euro-Med multilateral effort. An initiative could be launched, open to all countries of the region and all interested external powers. A “Permanent Conference on Mediterranean Security and Cooperation” may help enlarging the dialogue with other countries and strengthen a process of confidence-building. This would not block any eventual progress or initiative taken by other countries or in different institutional settings, but would serve rather as a frame of reference for the overall Mediterranean region.

IN CONCLUSION

The Arab Change has opened new perspectives but has also increased the European security challenges. To confront them successfully, *the EU needs a common and coherent approach to its Southern security*: it cannot be simply the effort of a structured cooperation among the countries more directly affected. In fact the events in the Mediterranean and in the Middle East are bound to have a massive impact on the EU as a whole.

A division of responsibilities must be worked out between the EU and the United States, clearly establishing the European lead for the Mediterranean and North Africa, and confirming the American lead for the Middle East and the Gulf. Of course, in both cases, the junior partner will actively contribute to the policy initiatives of the senior one.

The EU Foreign and Security Policy must increase its visibility and effectiveness. The European Institutions must receive the support of the Members, but they will also have to be much more responsive and innovative, putting forward a clear list of common objectives and priorities and specifying the requirements to attain them.

A common European approach is also required because the European countries' resources are severely constrained. Duplications and dispersions are now unacceptable and bear the risk of disastrous failures. As in the economic and monetary field, where the crisis requires much stronger budgetary and fiscal integration, in the security field the problems to be confronted on the wake of the Arab Change require substantial defence and security integration.

Peter Sutherland

THE MIGRATION DIMENSION

FOUR KEY POINTS

The “migration dimension” of the Arab Spring should evoke not only the potential short- and longer term movement of North Africans to Europe, but equally how Europe’s fear of migration dampened the broader political and public response to the historic revolutions in the Southern Mediterranean.

Europe and international agencies were effective in addressing the related humanitarian crises. EU bureaucracies also responded with relative speed to the dangers and opportunities generated by events. But a vacuum of political will meant that the response was fragmented, lacking conviction and vision.

The EU can still conceive and implement an ambitious plan to create a Mediterranean labour market uniting the region. Among its many advantages: endowing workers with skills EU companies need (they could be employed in their home countries or, if feasible, eventually as migrants in the EU), and helping to create a solid middle class of consumers for European goods.

The Arab Spring also revealed a series of governance gaps related to migration, mobility, and asylum that should be addressed by Europe and the international community.

In sum, there is an argument not for *more* migration, but *better* migration. In the age of globalisation, the EU could show the way in overcoming one aspect utterly underdeveloped: *the orderly movement of people*.

I. INTRODUCTION

The Arab Spring, in the context of migration, in particular, should surely be a catalyst for European governments to rethink their relationship with North Africa (and Africa as a whole). Doing so will require the development of a unifying vision for how to transform the trans-Mediterranean relationship.

The paranoia about migrant hordes and exaggerated fears of a tidal wave of immigrants fleeing to European shores can be explained by the profound fear of migration in Europe --- a fear complicated by, and confused with, the effects of the economic and financial crises, chronic unemployment. The rise of anti-immigrant populism in many EU countries has inhibited some moderate politicians hoping to advance a more progressive vision for migration. Budget constraints, meanwhile, limit investments in immigrant integration, thus heightening divisions within Europe’s increasingly diverse communities. But severely restricting mobility in the Mediterranean is neither a pertinent nor an effective response to the economic crisis and social anomy that is roiling European politics.

This note focuses on mid- and long-term recommendations regarding mobility and migration between Europe and North Africa. It also offers a brief synopsis of how Europe responded to the immediate short-term humanitarian crisis triggered by the Mediterranean revolutions, as well as an assessment of the migration governance gaps that the crisis illuminated.

II. THE OUTFLOWS FROM NORTH AFRICA

To start and as a reminder, the world stock of migrants is small and the same as in 1965 i.e. “manageable”.

The immediate humanitarian response in North Africa, while revealing numerous gaps in how such crises are managed, was sufficient in general terms. The UNHCR, IOM, and other agencies and NGOs worked together effectively—improvising when needed—to provide emergency relief to over 667,000 refugees fleeing the conflicts and to repatriate 159,000 third-country nationals.

Nonetheless, since last winter, more than 1,500 people have lost their lives attempting to reach Italy's shores, often because of unseaworthy vessels and an absence of qualified skippers on-board.

As of late August, according to the UNHCR, some 52,000 people had arrived in Italy as part of the North Africa outflow, with 27,000 having departed from Libya and the rest from Tunisia. Some of the European media and politicians portrayed these safety seekers and migrants as a serious threat to Europe. By way of contrast, during the breakup of Yugoslavia, over 2.7 million people were displaced, of whom 700,000 sought asylum in the EU. Similarly, the movement of workers from Europe's east dwarfs the numbers from the southern Mediterranean: Spain alone has received over 800,000 workers from Romania, for example, while an estimated 700,000 Poles migrated to the United Kingdom after 2004.

Other significant facts:

- Approximately 667,000 people—about half of them third-country nationals from poorer Asian, African, and other Middle Eastern countries—fled to Libya's borders with Tunisia, Egypt, Niger, and Algeria.
- IOM, UNHCR, and others have repatriated 159,000 third-country nationals using over 1,500 charter flights; over 120,00 more returned home over land (mainly to Chad and Niger).
- Of these, 73,000 migrants returned to West Africa, 33,000 to Asia (mostly Bangladesh), and the rest elsewhere in the region and the world.
- IOM notes *as of 7 October* that a total of 721,772 migrants crossed Libya's borders.* This figure includes 311,770 Third Country Nationals (TCNs) which represent 43% of total crossings. Movements still continue, with another 11,584 migrants (553 TCNs) crossing the borders to Tunisia, Egypt, Chad and Niger between 30 September and 6 October. IOM and its partners have assisted 210,739 migrants via a combination of charter flights, in-kind air assets, commercial flights, and land and sea vessels. The total caseload in need of evacuation at the Libyan borders is still estimated at 2,504 migrants. (*Cross-border movement statistics only refer to migrants leaving Libya.)
- IOM also highlighted as of September 30th the following figures regarding its response to the Libyan crisis: *Tunisia* sheltered a cumulative total of arrivals to 304 127 migrants and assisted 115 321 in their returns, whereas the figures for *Egypt* are respectively 226 200 arrivals and 38 099 assisted returns.

CROSS BORDER MOVEMENT (CBM) OF MIGRANTS			
Arrived In	Nationality	30 Sept to 6 Oct	Cumulative
Egypt	Egyptians	2,043	143,514
	TCNs	210	86,000
	Total	2,253	229,514
Tunisia	Tunisians	8,952	105,865
	TCNs	335	207,549
	Total	9,287	313,414
Niger	Nigeriens	10	77,818
	TCNs	8	5,117
	Total	18	82,935
Algeria	Algerians	-	1,666
	TCNs	-	12,296
	Total	-	13,962
Chad²	Chadians	26	50,874
	TCNs	-	808
	Total	26	51,682
Italy¹	Total	-	25,935
Malta¹	Total	-	1,530
Sudan	Total	-	2,800
TOTAL ARRIVAL		11,584	721,772
TOTAL TCN		553	311,770
1 - Numbers only reflect arrivals from Libya (and not from Tunisia)			
2 - Figures for Chad now include arrivals in Faya, Kalait, Mao, Mourdi and Ouniangakebir			

IOM Cross Border Movements as of 6 October 2011

Source: IOM response to the Libyan crisis, External Situation Report, 10 October 2011

III. THE EUROPEAN RESPONSE TO DATE

It quickly became clear that there was no real desire to reframe the relationship between the two shores of the Mediterranean, let alone a 21st century Marshall Plan.

This is pitiful as the basis is there for such a project with the EU working in tandem with the US, Arab Gulf States, China and Japan. The mechanics of the Marshall Plan could be applied if the Arab countries – notably Egypt, Tunisia, Morocco and Jordan – accept to join the initiative on their own free will.

The all-consuming sovereign debt crisis and the continent's weak governments contributed largely to the absence of a real response.

Surely, the timing is difficult but as noted by Uri Dadush and Michele Dunne on *American and European Responses to the Arab Spring: What's the Big Idea?* in the current issue of *The Washington Quarterly* (CSIS, Fall 2011):

“... How can Europe and the US support democratic transitions in a way that is acceptable to the Arab countries...at a time when both continents are confronting fiscal crises? The best instruments available are **enhanced trade agreements** that not only promote market access, but even more importantly maximize competitiveness-enhancing and job-promoting reforms in the Arab countries....The new trade agreements should be far deeper and more comprehensive than those currently in force and contain many of the elements included in Eastern European countries’ accession agreements, including a bold multi-year trade assistance initiative designed to bolster competitiveness and **the role of the private sector** in the Arab countries”.

The Marshall Plan, in its time, was understood as being of benefit to both the United States and to Europe. But it had time to germinate and was supported by historic relationships and partnerships in the World Wars. Even in the early euphoria of the Arab Spring, by contrast, there was only a fleeting sense that a stable, democratic North Africa could emerge as a serious partner to Europe. This asymmetry, coupled with concerns over uncontrolled migration, dampened enthusiasm for an ambitious response, as did the focus on the financial crisis.

The European reaction can be identified in four main themes:

An effective, timely humanitarian response: The European Commission and individual Member States responded quickly and well to the floods of refugees across the conflict borders, sending sufficient funds to IOM, UNHCR, and other relief agencies to provide food, shelter, and repatriation. The EU Border Agency “Frontex”, within its limited abilities, also mobilized quickly to help patrol the Mediterranean.

A vacillating, underwhelming political response: Despite scattered calls for a new Marshall Plan, the European political response to the Arab Spring (as opposed to the military response in Libya) was largely lacking leadership and conviction. An inherent scepticism about whether the revolutions would spawn democracies (rather than Islamic strongholds) fuelled calls for substantial aid to be conditional on democratic progress; conditionality also applied to proposals for any migration openings (in exchange for strong border controls and potent re-admission agreements). In sum, what is proposed is “conditionality” instead of “incentives”, hardly a saleable political product to Arab countries wary of the West!

A predictably energetic bureaucratic response, lacking focus and political will: In March and May, the European Commission produced a pair of communications on the Southern Mediterranean, with a significant emphasis on migration-related issues; the relevant Commissioners also visited Egypt and Tunisia in the late spring. In practical terms, this activity has led to the creation of a new platform—the so-called “dialogues for migration, mobility, and security”—that aims at preparing the conditions for the establishment of Mobility Partnerships between the EU and Southern Mediterranean countries. In addition, Frontex increased its assets in the South Mediterranean. All this, however, failed to signal to Europe’s partners in North Africa that a new framework of cooperation on migration and mobility was being conceived.

What is lacking is a **holistic policy system** with regards to migration. This was due to the simple fact that North Africa governments are primarily interested in creating greater opportunities for legal migration to the EU, and in expanding trade—neither of which have figured persuasively in EU plans.

In sum, the time has come to seriously advance the idea of a **Single EuroMed Market** and to start work on a Customs Union with Egypt and Tunisia (refer to the success of the CU with Turkey) adopting the common external tariff. The volume of trade between the EU and MENA could be 3.5 to four times larger if both regions were to reach the EU’s level of integration! (See TWQ article)

Political tension over the suspension of Schengen rules by France and Denmark: Italy’s decision to issue temporary residence permits to North African migrants prompted France to suspend Schengen regulations and impose inspections on the border with Italy; Denmark then followed suit. This triggered intense political debate and an eventual proposal from the Commission on the conditions under which Member States could suspend Schengen. It has not yet led to any significant momentum toward a unified European Border Guard initiative—perhaps building on Frontex—which would be a reasonable response to the challenges Europe now faces.

IV. RECOMMENDATIONS FOR THE EU ON MIGRATION IN THE SOUTHERN MEDITERRANEAN

The window has not closed for Europe to regroup and propose a robust vision on migration and mobility to the emerging governments in Tunisia, Egypt, and Libya (and eventually beyond). Engagement on this front is a long-term game.

In moving forward, Europe could adapt the kind of “mini-lateralist” approach that eased the way for military action in Libya. Migration is too controversial an issue to generate EU-wide consensus. So “coalitions of the willing” will have to be at the vanguard, devising novel migration policies that could lead to a race to the top. The Lisbon Treaty allows for these “*enhanced cooperation*” (a procedure whereby a minimum of nine EU member states are allowed to establish advanced integration or cooperation in an area within EU structures but without the other members being involved). This could be done in the context of the Mobility Partnerships organized by the European Commission, the essentially defunct Union for the Mediterranean (replacing the Euro-Mediterranean Partnership), the recently announced “Dialogues for Migration, Mobility, and Security,” or in other formats. For instance: Willing groups of countries that want to tap North Africa’s labour supply could offer work visas to migrants from the region, working in collaboration with local educational institutions and European companies to train them. If they do so successfully, other countries might well be willing to follow.

The sense of purpose in all of the EU’s platforms and processes is often lost under the weight of bureaucratic tedium. By contrast, Europe’s approach to Mediterranean mobility could be animated by a vision of constructive engagement.

The essential aspects of this approach would include:

- *Developing partnerships between European and North African educational institutions, opportunities for vocational skills development, and workforce preparation programs.* An intensive focus on developing North Africa’s human potential by investing to make workers useful for their own countries (first and foremost) as well as the EU is critical.
- Significant job creation will require *internal labour market reforms in the Southern Mediterranean* in order to make it safe, predictable, and profitable for European companies to open up/expand operations in the region.
- *Establishing capacity to more accurately forecast the needs of Europe’s labour markets in the short-, mid-, and long-terms;* using these forecasts to guide investments in education and workforce training, both in Europe and North Africa (and to Europe’s East), thus matching up African demographic, skill, and educational forecasts with European labour market needs. The demographic issue is broadly that within ten years, 80 people will join the workforce for 100 people who will leave it in Europe, and in the developing countries 342 people will join the workforce for every 100 who leave it! In France, for example, in order to maintain the same ratio in 2050, it would need 1.7 million immigrants to enter each year!

- Sharp improvement in the means by which *skills recognition*, both formal and informal, takes place in Europe.
- Providing substantial support to *design, build, train, and staff migration and regional protection systems in the emerging democracies of North Africa*. Also includes assistance in drafting constitutions and relevant legislation, building border management systems, and establishing institutions to manage migration, regional protection, and Diasporas.
- Support to *design, build, train, and staff migration and regional protection systems in the emerging democracies of North Africa* “co-development” cannot be simply decreed by the top – the true actors on the ground are those companies which invest (FDI) and produce growth in the area.
- In the medium-term, once transitional arrangements have been completed, the EU could consider citizens of North African partner countries as a new tier in the *preferential treatment of mobile workers*, particularly with respect to seasonal and less skilled work.
- *Establishing legal channels for expanded mobility*. In the short term, promoting mechanisms for greater inter-regional exchanges, including new avenues for students and entrepreneurs; facilitating mobility, including avenues for temporary and full-time workers.
- *Intra-regional Arab countries exchanges* need to be boosted and nurtured as an essential part of the strategy.
- *Entering into a dialogue with actors beyond state governments in both sending and receiving countries*—such as regional and local governments, as well as civil society groups—will be essential, especially in a world where migrants increasingly consider their movements to be city-to-city, rather than country-to-country. Understanding the different pressures faced by municipal authorities in sending countries will help the EU ensure that their partnership addresses the realities of emigration, not just the policy approaches.
- The EU should mainstream these efforts across Directorate Generals, since *implementing these strategies requires coordination across a number of different portfolios*. Currently, the cluster of small-scale responses from various Commissioners, and the failure to inspire strong Member State support, has given partner governments a confusing set of mixed messages, and potentially sets the Commission up to promise something it cannot deliver. As a reminder, Egypt and Tunisia have Association Agreements with the EU!
- Finally, in envisioning a new era of greater opportunity and mobility in the southern Mediterranean, *the EU must fully consider its approach to the entire African continent*—both for reasons of equity and also to anticipate the knock-on effects of migration and labour openings in North Africa.

V. GOVERNANCE GAPS REVEALED BY THE NORTH AFRICA CRISIS

The Arab Spring catalysed a series of crises—related to humanitarian relief, migration, and public opinion—that have tested the limits of international cooperation on migration and exposed major holes in existing systems to manage human mobility, especially in a crisis.

At the May 2011 G8 Deauville Summit, \$ 20 billion in assistance was pledged to Egypt and then to Tunisia from multilateral development banks in addition to bilateral help but “is both the wrong sort of help – stressing aid, not trade –and of entirely wrong scale (see TWQ article). The EBRD too has

declared its “intention” to invest \$3.5 billion annually in the region “when and if” opportunities arise. Among the *governance gaps* are the following:

➤ **The management of migration flows**

Refugee flows: Although the refugee regime is the only area of migration with formal multilateral governance, the crisis exposed huge gaps in existing mechanisms to grant temporary protection and asylum to persons in genuine need of protection. The current regime is designed for individuals fleeing persecution from their own governments, and does not have the tools to manage migrants “trapped” in a third country (as happened in Libya). There is little clarity as to the roles of national governments and international organizations in this situation. How should the burden be shared? How and where should asylum camps be established?

Labour migration flows: The migration crisis exposed by “boat migrants” (mostly from Tunisia, but also from sub-Saharan Africa transiting through Libya) striving to reach European shores exposes the lack of legitimate legal avenues for economic migrants fleeing instability and unemployment in the region.

Mixed flows: Faced with both kinds of movement described above, governing bodies need to improve their ability to differentiate between genuine refugees and economic migrants, who are often travelling together. While the distinction is clear in international humanitarian law, this is rendered meaningless if the distinction cannot be made on the ground.

➤ **Protecting vulnerable migrants**

Trapped migrants: In the absence of a global migration organization, there is no governing entity with a mandate to ensure that migrant workers are treated humanely and fairly in the country of destination, especially when their country of origin is unwilling or unable to help (for example, Bangladeshi workers trapped in Libya whose government did not have the funds to repatriate them, thus forcing them to rely on the goodwill of organizations like UNHCR and IOM). The Filipino government faced the converse challenge of having the resources to retrieve its nationals, but most of them being unwilling to return home. These people, similarly, are left in a governance gap.

The events in Libya also placed a spotlight on actions by states that contravene international law and norms: For example, the Gaddafi regime used migration and the threat of “demographic bombs” (unleashing waves of irregular migrants onto European shores) for political leverage and was shown to be complicit in human smuggling to southern Europe. This has grave implications for rights as well as international mobility. However, should be recalled the unworthy relationship between Libya and a few EU Member States where agreements were set up with the Libyan government to forestall further emigration (notably from sub-Saharan) to European shores!

Technology has helped smugglers to be more efficient in their work, and smuggling fees have been increasing; yet international regimes have not enjoyed a similar entrepreneurial ability to harness technology in their efforts to prevent organized crime.

The examples above point to a dire need for coordination among disparate actors on shared challenges. While in some cases this may mean actual collaboration (for example the joint UNHCR/IOM Humanitarian Evacuation Cell established in Geneva on 1 March 2011 to respond to flows out of Libya), that kind of collective action may not be feasible (or appropriate) in every situation. However, it is critical to designate specific roles for each lead actor, and in this way coordinate (if not cooperate).

The following forms of cooperation could be considered:

- **Cooperation among international agencies** (UNHCR, IOM, ILO, etc.). Formal collaboration may not always be feasible; each organization has such a specific mandate that codifying this kind of cooperation (which would look like they were broadening their mission) might be rejected by their funders and stakeholders. An informal, network-based cooperation, based on trust and shared objectives that unfolds in practical terms on the ground may be more effective than any formal arrangement.
- **Cooperation among receiving states:** As the problem of irregular migration is spread unevenly across regions (some states are the primary “first stop” for irregular migrants based on their geography, and some are the primary “end goal” for where migrants want to end up) the issue of how to “fairly” share responsibilities and burdens is the main barrier to cooperation. *Médecins sans Frontières* recently criticized the EU for shirking its “responsibility” to allow victims of war into Europe. An effort needs to be made to define who is in charge of setting the norms—let alone principles of engagement—for burden-sharing among states.

VI. CONCLUSION

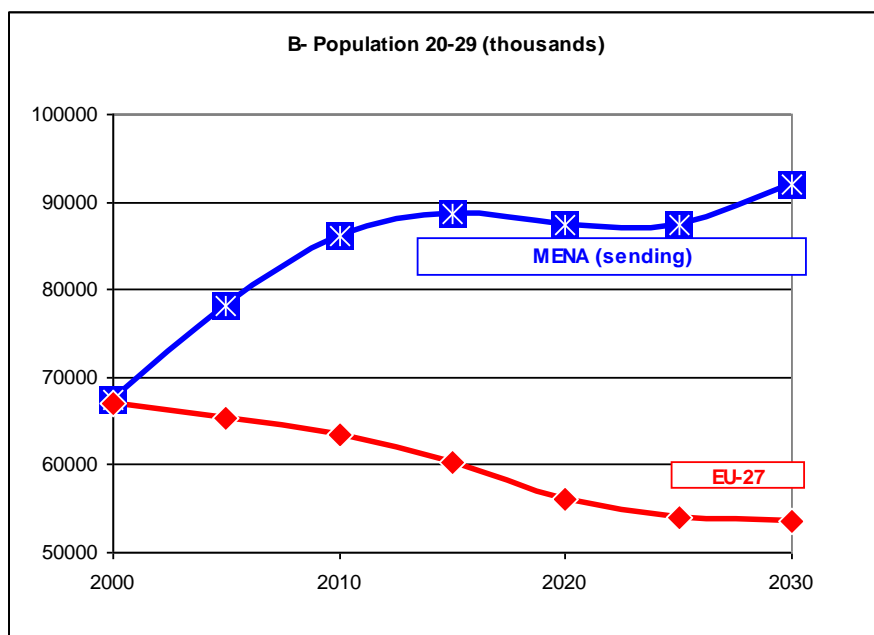
With or without the revolutions in North Africa, migration from and through the region into Europe would have grown gradually greater over the coming decades.

This is because the MENA region, with its legions of young workers, is an ideal demographic match for Europe, with its shortage of the youthful labour it needs to remain competitive. MENA is the source of 20 million first-generation migrants, half of them now living in another MENA country and most of the rest in Europe.

The size of MENA’s working-age population will continue to rise sharply in the next two decades: a “youth bulge” of 96 million people between the ages of 20-29 in 2010 will reach 104 million in 2030. Europe will be subject to the opposite trend, as its total working-age population began shrinking in 2010 and the number of new entrants into the labour market will steadily decline over the next 20 years. The tables that follow tell the tale well.

THE WORKING-AGE POPULATION IN THE MENA* REGION AND THE EU-27

2000 to 2030



*MENA (currently) predominantly sending countries: all MENA countries except Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, the United Arab Emirates, and Libya.

Source: United Nations Population Division (UNPD), “World Population Prospects: the 2006 Revision Population Database” (online database, September 2007), <http://esa.un.org/unpp/>

Yet the Arab Spring offers an unexpected and precious opportunity to Europe: it provides a catalyst to fundamentally reshape its relationship with the region, focusing on creating a functioning even if imperfect labour market, deep security cooperation, and fostering enduring development opportunities—and doing so in tandem and as equals with the region’s emerging democracies.

Identifying key immigration partner countries for the future—whether due to political ties, demographic growth, democratic change, economic dynamism, or skill base—**and forging stronger partnerships based on genuinely collaborative goals will be the key to ensuring that innovation remains central to the external relations of EU migration.** Beyond mobility partnerships, these strategic engagements should bring together trade, development and political objectives, and design the right “blend” of policies to ensure the most beneficial cooperation.

The first step on both sides is thus bolstering internal cooperation. In the European Union, there is a mismatch between the rhetoric of “solidarity and partnership” and the reality of Europe’s efforts to manage the crisis in its Southern neighbourhood. There is a need for much greater internal coherence, as thus far there have been stark discrepancies among Member States’ approaches. Europeans need to define a clear, common, coherent policy to send clear messages to North African partners. In the words of one European official, “we can’t have individual responses in a common space.” **And this need extends to the African side as well;** the lack of cooperation among North African countries incurs a high cost to their own populations.

ANNEXE

The Demographic Dynamics of MENA and EU Labour Markets				
2005 to 2030				
YEAR	MENA		EU-27	
	Numbers	Change (t,t+5)	Numbers	Change (t,t+5)
<i>Total working-age population (ages 15 to 64) in thousands</i>				
2005	286,836	+ 35,587	330,137	+ 2,227
2010	322,423	+ 32,029	332,364	- 3,934
2015	354,452	+ 30,196	328,430	- 5,598
2020	384,648	+ 30,048	322,832	- 7,032
2025	414,696	+ 28,458	315,800	- 9,329
2030	443,154		306,471	
Total 2005 to 2030		+ 156,318		- 23,666
<i>Annual numbers of new entrants (age 25) in thousands</i>				
2005	8,744	+ 818	6,533	- 185
2010	9,562	+ 293	6,348	-3 26
2015	9,855	- 85	6,022	- 417
2020	9,770	+51	5,605	- 216
2025	9,821	+ 530	5,389	- 25
2030	10,351		5,364	
Average 2005 to 2030	9,684	+ 321	5,877	- 234

Source: UNPD, "World Population Prospects."