THE ARAB SPRING IN COMPARATIVE PERSPECTIVE

Senén Florensa, Dtor.

SSN-EUROMESCO JOINT POLICY STUDY

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SSN STRATEGIC STUDIES NETWORK

EuroMeSCo - IEMed.

JOINT POLICY STUDY
Published by the European Institute of the Mediterranean
Director: Senén Florensa

Proof-reading: Neil Charlton
Layout: Núria Esparza
Legal deposit: B 9458-2015
March 2015

EUROMED

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The Arab Spring in Comparative Perspective

Presentation

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1 Senén Florensa. Executive President, IEMed and President of the Steering Committee, EuroMeSCo.

A few years after the beginning of the so-called Arab Spring, as the processes of transition and the geopolitical balance shifts are fully underway, it is imperative to think about the changes the region is facing and the options ahead. The initial optimism on the democratisation of the Southern Mediterranean region was misplaced, as widespread regional turmoil has brought about very different results in the countries involved. While some are experiencing encouraging processes of transition, others are still trapped in bloodshed and civil war. Tunisia has positively completed its first Parliamentary and Presidential elections following the approval of a new Constitution, while in Syria and Libya violence continues, with tremendous consequences on the populations and undermining peace in the neighbouring countries. The different paths undertaken in the Arab countries since 2011 are indeed a factor of instability, but best practices from the countries in democratic transition represent a positive experience and can be used as examples to shape better policies. Comparative analysis inside and outside the region is useful for tackling vital issues in the transition processes, such as institutional and Security Sector Reform, the relation between religion and the state, and key socio-economic issues.

In addition, regional dynamics are fluid. Arab transitions have brought significant change in the political landscape of the Southern Mediterranean region, notwithstanding the fact that new and old actors have to face the rise of the Islamic State and a whole new form of international terrorism. Indeed, many players in the region have perceived the uprisings as an opportunity to expand their political and economic influence in the region. The Gulf countries have notably increased their action in the Middle East and North Africa countries and have been trying to economically and politically influence the events in the region, while Iran is also doing its best to gain leverage from its role in Iraq and the nuclear talks. On the other hand, Egypt's renewed military-led government has shown its will to return to its role of a regional power, as was evident from Al Sisi's stance on intervention in Libya. Despite these profound geopolitical transformations, so far there has not been an adequate response providing a more stable political framework to the region.

In this heterogeneous panorama, the European Union has been facing enormous challenges. The growing engagement of regional actors, the growing interests in the area of international powers, such as Russia and China, and the flaws in the regional strategy of the United States, have put the European Union in a difficult position in its own changing neighbourhood. The European Commission has highlighted on several occasions that Europe needs to become a stronger global actor and especially in its closest neighbourhood. For the same reason, in early 2015 the EEAS and the Commission started a process of in-depth rethinking of the European Neighbourhood

Policy (ENP), also with the aim of responding to the most recent developments. The pivotal issues to be analysed, also discussed in this publication, are the definition of neighbourhood, which should be extended beyond the current borders, and the importance of adapting the policies to the prevailing dynamics in the region. At the same time, the European Union should be aware of specific short- and long-term security issues and serve its core strategic interests. The EU's promotion of Regional and Sub-regional Economic Integration and Cooperation is also key to the political aims included in a wider strategy and could strive for the use of new frameworks of cooperation.

This publication is the product of the cooperation between two think tank networks, the Strategic Studies Network (SSN) and EuroMeSCo. The SSN is a partnership of think tanks, policy institutes, and strategic studies centres from around the world focusing on the key political, military, economic, environmental and social debates in North Africa, the Middle East, Central Asia and South Asia. Its Secretariat and coordination is based at the Near East South Asia (NESA) Center for Strategic Studies, National Defense University in Washington. EuroMeSCo is the largest network of think tanks on politics and security in the Mediterranean and its Secretariat is based at the European Institute of the Mediterranean (IEMed) in Barcelona. It is formed by 100 research institutes and think tanks from 32 countries. Its goal is to foster research, information and closer cooperation among its members as well as acting as a confidence-building measure in Euro-Mediterranean relations.

Both SSN and EuroMeSCo have combined their efforts to produce policy-oriented analyses aimed at providing a better understanding of the democratic transformations in the Arab world and help regional and external policy-makers to devise better policies and support strategies. This cooperation was forged during the last SSN annual summit in Bangkok in February 2014, where it was proposed to create the Working Group "The Arab Spring in Comparative Perspective", bringing together researchers from the SSN and EuroMeSCo to produce this edited volume on comparative perspectives on democratic transitions in the Arab world.

The Working Group was divided into several working packages, each of them headed by two researchers from the EuroMeSCo network. Other participants from both EuroMeSCo and the SSN joined the working packages as researchers. The IEMed acted as the director and coordinator of the research project, ensuring the overall consistency and coherence of the research produced and the participation of the selected participants. An open working procedure was established by the director of the project at the IEMed, so that all participants were aware of the developments of each working

package and could contribute and comment on the quality of the papers submitted.

The first versions of the papers were presented in a working session in Barcelona on 19 December 2014, which brought together the lead researchers of the working packages, where they had the occasion to discuss all issues concerned again in depth, with the aim of debating and receiving comments and feedback on the first drafts of the papers that were then introduced in the final papers. The results of the workshop have now been edited by the IEMed and are included in this publication, which is divided into five chapters.

In the first chapter, the experts, under the leadership of Benedetta Berti, have assessed the state-building processes and institutional reforms in the Arab transitions. By avoiding looking at them in deterministic terms, a model is developed in order to analyse these processes as dynamic, complex and non-linear. Through the use of this approach, four main institutional dimensions in which Arab transitions attempted to undertake reforms are identified and analysed: constitutional reform or drafting ex novo of a Constitution, electoral reform, rule of law and judicial reform, and security sector reform. The findings of this chapter draw attention to the common challenges the MENA countries face, while highlighting the importance of understanding the specific context and circumstances of each state.

Another team of experts, led by Patrycja Sasnal, analyses the role of religion in the transitional processes of Arab countries. The Muslim Brotherhood's role in the political transition in Egypt and Ennahda's in Tunisia are analysed through a comparative perspective. Through the assessment of these transitions with a focus on the Freedom and Justice Party's and Ennahda's experiences in power and the reading of constitutional texts, the false nature of the inevitability of the "either authoritarianism or extremism" choice is proven false. Political and economic factors are taken into account and attention is also paid to struggles between religion and the state through the analysis of other transitions, arguing that religion has been a significant factor in political transition processes and that the separation between religion and state is not always a condition for democracy.

The third chapter analyses the role of socio-economic policies in the Arab Spring countries. The authors, led by Ahmet Ali Koç and Anis Salem, state that these countries show resilience to the resolution of structural factors, which is making governance improvements of living conditions difficult. This chapter explores the challenges imposed by the presence of deep structural socio-economic problems in the region as well as the

policies apt to counteract socio-economic problems. The chapter also presents a series of policies and discusses whether Turkey is a candidate to become a model for Arab countries.

In the fourth chapter, Sven Biscop and Stefan Borg argue that the European Neighbourhood Policy (ENP) has been suffering from short-term focus, adjusted with a new concept and a new set of measures in response to the Arab Spring. The nomination of a new European Commission is seen as an opportunity to reformulate the ENP further, setting priorities in function of the EU's vital interests, while empowering the neighbours to make their own choices and setting plural regional strategies serving a grand single European Security Strategy. The EU must achieve awareness on specific long-term security obligations, also providing the framework for short-term crisis management and facilitating the revitalisation of long-term multilateral and bilateral relations with its broader neighbourhood.

The final chapter focuses on the EU's strategies to promote regional and sub-regional economic integration and cooperation. The authors, led by Erwan Lannon and Alfred Tovias, analyse the possibilities of regional integration with the Southern Neighbourhood taking into account that the pre-accession formula is not viable. Other forms of deep economic integration are taken into consideration along with the promotion of regional economic integration through the use of different forms of agreements. Despite some serious obstacles to closer regional cooperation, recent developments suggest that there is renewed support for regional integration between Europe and the Mediterranean, for which the authors underline the importance of several policy-oriented suggestions.

Internal Changes in Transition Processes: What Priorities?

"After the Spring": State-Building Processes and Institutional Reforms

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The Arab Spring set in motion a complex and dynamic process of social, economic, political and cultural change across the Middle East and North Africa (MENA) region. In the past three years virtually every country in the region has been to some degree domestically impacted by the "Awakening", with the revolutionary wave leading to internal debates, social mobilisations and widespread calls for reforms reverberating across the Middle East, from Morocco to Jordan, Oman and Kuwait. In a specific set of countries the mass-scale mobilisations led to fully-fledged revolutions and to regime change. The downfall of authoritarian dictators, from Tunisia to Egypt, Libya and Yemen – in turn – initiated an historical phase of "transition" marked by attempts to restructure and reform the rules of the political system as well as its institutions.

Naturally, the transition paths of the post-revolutionary countries in the region – such as Egypt, Libya, and Tunisia – have been largely dissimilar, due to pre-existing differences in economic, political and social structures as well as policies. The chapter takes these differences into account, thus looking at post-revolutionary (democratic) transitions as inherently complex, dynamic, context-dependent and non-linear processes. In highlighting both the challenges as well as the opportunities of the "post-Spring" transitions, it focuses specifically on key areas of political institutional reforms and development – referring to changes or continuities with respect to the prevailing rules of the political game. More specifically, it identifies some of the main key shared tasks that Arab countries in transitions face when reforming their political institutions, while also highlighting the different contexts, responses and outcomes to such challenges. The study then focuses on the specific priorities and challenges Arab states in transition face when addressing an especially critical area: namely the reform of their security sectors. In its conclusion, the study focuses on identifying the main critical areas of institutional reforms that need to be tackled in the upcoming years of transition.

Setting the Stage for the Arab Transitions

In early 2011, the Middle East and North Africa entered a revolutionary phase that led to dramatically redefining the political and social status quo in the region. The December 2010 act of self-immolation of the young Tunisian street vendor Mohamed Bouazizi triggered a wave of peaceful protests and demonstrations that, in less than three months, spread to the entire region, eventually leading to the toppling of two of the most entrenched authoritarian regimes in the region. The 29-day revolution in Tunisia was characterised by its spontaneous, pluralistic and mass-scale nature; as well as by its peaceful demonstrations against Zine El Abidine Ben Ali, his family and entourage as

well as the predatory practices that had characterised his rise to power in 1987. The flagrant corruption of the ruling elite had greatly expanded the chasm between the haves and the have-nots within society, breeding frustration and discontent.

In Egypt, the sweeping success of the Tunisian revolution lent drive to anti-regime demonstrations acquiring unprecedented momentum and scale. Between 25 January – the "Day of Rage" that started the revolution – and 11 February – the day Hosni Mubarak finally stepped down – an estimated 6 million Egyptians took part in what quickly came to be defined as the largest popular mobilisation in Arab history (Abu Dhabi Gallup Center, 2011). Following the removal of Mubarak, the wave of protest continued its unstoppable march and reached as far as the Mashreq and the shores of the Arabian Gulf Peninsula. In addition to Morocco and Libya, protests erupted in Syria, Yemen and Bahrain, thus enveloping the whole Arab world.

A flurry of explanations have been advanced to account for the Arab Spring, for example by emphasising the socio-economic dimension of the protests – linked to stagnant economic prospects, rampant youth unemployment, as well as to rising social inequality and marginalisation. Yet, across the Middle East, demonstrations went beyond the purely material dimension and uniformly asked for greater social and political rights, focusing on demands for increased accountability, fairness, transparency, and representativeness of their governments. Whilst reconstructing the causal chain that led to the Arab popular uprisings is not the goal of this study, still it is crucial to highlight both the complexity of the political phenomena behind the revolutions as well as the magnitude and saliency of the pre-existing economic, political, and social challenges that need to be addressed after ousting the incumbent authoritarian regimes. In this sense, the "day after" has been incredibly complex in virtually all countries affected by the Arab Spring, with the region seeing both a general rise in state weakness and instability as well as a non-linear and often tentative process of democratic transition.

The very use of the term "Arab transitions" to designate the post-revolutionary phases in countries like Egypt, Libya or Tunisia needs to be further clarified to avoid portraying these stages of stabilisation and reforms as closed-ended and linear processes. Firstly, it is of the utmost importance to avoid looking at post-authoritarian transitions processes in deterministic and linear terms. An important step in this direction is to firmly decouple the process of authoritarian breakdown from the process of transition, both in terms of the actors involved and the actions undertaken. Indeed, as pointedly observed by Eva Bellin, "while the elimination of autocracy must precede democratic transition chronologically, the two processes are analytically distinct" (Bellin, 2012: 143). Secondly,

democratic transitions need to be analysed as dynamic, complex and largely non-linear processes – often entailing many false starts towards democracy or the outright restructuring of (different) forms of authoritarianism. It is indeed possible to further break down transition processes into three distinctive phases, namely "transition", "installation" and "consolidation".[8] Needless to say, the progression between these three stages is not always automatic or linear.

This approach is especially important to get beyond the democratic transition paradigm which, during the 1990s, had attempted to analyse emerging trends and dynamics in the region through the lens of a linear (and somewhat deterministic) path from authoritarianism towards democracy. After being proved wrong by reality, much of the scholarship on the MENA region swapped the "transition paradigm" for the "authoritarian resilience" model, focused on explaining the reasons for the survival of the authoritarian regimes in the region, some lasting as long as thirty, forty or even more years (Bellin, 2012). The Arab Spring and the post-revolutionary transition period should, however, be analysed through more nuanced explanatory models, avoiding the potential determinism of focusing on both the linear transition and the authoritarian resilience paradigms (Pace and Cavatorta, 2012).

The first stage of democratic transition is often marked by high uncertainty and dynamism, as well as by more or less profound changes at the institutional level. In other words, institutional development is a key indicator when assessing the general direction, pace and actors involved in the transition processes as well as their future outcomes. Key actors in pushing these processes are often institutional political forces – parties, parliaments, bureaucracies – commanding the legal, administrative, political and economic resources necessary to entrench themselves and to lead the transition through its various steps; including drafting new constitutional texts, reforming the electoral system or establishing new political institutions. In term of the temporal frame, whilst it is generally recognised in the literature that the first decade of the transition is vital to determine regime change outcomes, it is in the shorter timeframe of two to three years that the bulk of the political and institutional transitions are often carried out.

Naturally, these processes of institutional reform do not occur in a vacuum, and thus they need to be analysed within the broader economic, political, and geopolitical framework, also taking into consideration issues related to socio-economic variables as well as the role of external actors in shaping the post-revolutionary period. Indeed, processes of political transition are very often accompanied by some form of economic restructuring. The impact of socio-economic rifts or cleavages cannot be separated from the political

8 For a thorough discussion of these two concepts in the framework of the transition processes that took place in other geographical and historical contexts, see Morlino (2011).

institutional context in which they are articulated, ultimately affecting the new regimes' credibility and legitimacy. On the one hand, embarking on wide-ranging economic transformations may slow down the process of democratic transition and lead to the emergence of multiple areas of potential conflict. On the other hand, the high uncertainty often characteristic of early transitions may negatively impinge on the prospects of economic development, particularly in cases of countries undergoing serious economic crises. Just as importantly, external players can have a powerful role in influencing transition processes, for example through material factors – such as development aid, direct political or military intervention, or trade relations – but also through ideational tools, such as value-sharing or transfers of institutional recipes.

In conclusion, a thorough scrutiny of the different changes (or lack thereof) in the realm of institutional development and reform within the Arab countries in transitions can allow us to differentiate between distinct transition paths, avoiding broad and generally unhelpful regional generalisations. Accordingly, the complex and dynamic process set in motion by the Arab Spring should be seen as one characterised both by political change and continuity. And while democracy cannot be regarded as the linear, pre-determined outcome of the Arab transitions, at the same time the possibility of democratic gains should not be discounted a priori. Indeed, the Arab Spring has seen the rise of important new actors and stakeholders. These forces are today the carriers of new voices, new demands and new ways of doing politics.

Political Institutional Reforms in the Arab Transitions: Main Issues and Challenges

Institutional development and reform should be understood as a series of changes (or lack thereof) taking place at different levels of the institutional structure of the state. In particular, the path of the Arab countries in transition has been marked by attempts to undertake reforms in at least one or more of the following institutional dimensions:

Constitutional Reform or Redaction ex novo: Constitutions play an especially important role when it comes to institutional reform, as they contain the overarching meta-rules of a political system. Similarly, constitutions have the purpose of assigning coherence, order and stability to the multitude of "partial regimes" that make up the system itself. What is more, constitutional provisions have the pivotal role of both defining the identity and nature of a state as well as laying down the rules of the game that regulate the structure and division of power. Another function performed by constitutions is to enshrine the

protection of basic rights and freedoms in the most important document of the state, an especially key task in the case of factionalised or deeply-divided societies.

In this sense, the "day after" debate on reforming the constitution to reflect the political aspirations and demands of the revolutions initially took centre stage in virtually all the post-revolutionary countries in the MENA region. Eventually, post-revolutionary countries like Tunisia, Egypt and Yemen all opted for drafting a new text as opposed to reforming the existing one (Libya de facto did not have a constitution under Gaddafi), an important political and symbolic step to signal their wish to draw a "clean slate" and to distance themselves from the authoritarian past (Bernard-Maugiron, 2013).

Re-drafting the constitution has been an important task for virtually all MENA countries in transition, with the success of this endeavour linked to both the content of the text as well as the strength and legitimacy of the process of constitutional reform. Indeed, given the importance of the constitution in dictating the rules of the political games, it is unsurprising to note that its drafting can often lead to harsh power struggles amongst different political parties, backed by interest groups and civil society. Post-revolutionary transitional governments thus face the challenge of balancing their interest in rewriting the constitution to fit their vision of the transition path, with the need to build legitimacy and consensus for the new document. As a result, constitutions often enshrine a number of contradictions as they are the result of a series of compromises. These contradictions also point to the complex interplay between change and continuity, since the resulting constitutional documents may fail to distinguish themselves from whatever remains of the old regime.

These contradictions can to a greater or lesser extent undermine the transition process or they can successfully be accommodated into the system. In other words, the process of constitution making is a contested endeavour that can bring deeply-seated societal rifts to the surface. Some of the most contentious issues that need to be settled include the separation of powers, namely executive-legislative relations and horizontal accountability. A second set of contentious issues – incredibly relevant to the Arab countries in transition – has to do with defining the role of religion in the public and political sphere.

In looking at different responses to the aforementioned challenges, it is especially helpful to juxtapose the different models of constitution-writing adopted by Egypt and Tunisia in the immediate post-revolutionary period. In the case of Tunisia, re-writing the constitution was a lengthy and complex process that culminated in January 2014 with the adoption

of one of the Middle East's most progressive constitutions (Mabrouk and Hausheer, 2014). While the content of the new Tunisian Constitution is by itself remarkable and contains numerous important compromises to accommodate different political interests and visions, it is the process that led to the adoption of this document that represents an important indicator of the country's democratic potential. The constitution-writing process took almost two years and required both extensive compromise and dialogue between all the main Tunisian political actors, with the then Islamist majority party, Ennahda, conceding on key issues like the role of religion in society in exchange for reaching a wide national consensus. Just as importantly, the political body drafting the constitution, the National Constituent Assembly, was elected in an open and free election, adding to the credibility of the project (Pickard, 2012).

On the other hand, the Egyptian Muslim Brotherhood – unlike Ennahda – sought to use its impressive gains in the political system to bypass the opposition and avoid having to reach national consensus over the constitution. Even though the 2012 Egyptian constitution was approved in a popular referendum, the lack of national dialogue and consensus behind it led to both deep social and political polarisation as well as to rising popular discontent against MB President Mohammed Morsi and his government, eventually playing a role in Morsi's downfall in the summer of 2013. And even after the ousting of the Morsi government in the summer of 2013, the interim's government amending the 2012 constitution was also not predicated on consensus, with the notable exclusion (or self-exclusion) of the Muslim Brotherhood from the process. Again, even though the new constitution was later approved in a popular referendum, the relatively low turn-out – much like in 2012 – spoke volumes with respect the limits of the legitimacy and consensus behind the text and its process of adoption.

At the same time, countries that did not undergo a regime change – such as Morocco or Jordan – chose to undertake their own domestic constitutional reforms to meet (or defuse) demands for social and political change. For example, in the case of Morocco, one of the results of the "20 February movement" – demanding sweeping domestic reforms, social justice and asking for greater representatives and accountability of the political system – was to obtain a measure of constitutional reform, through an ad hoc commission appointed by the monarch. The reformed constitution was later approved through a popular referendum on 1 July 2011, which saw roughly 73% of Moroccans choosing to turn up and vote overwhelmingly in favour of the new text. Some of the changes included wresting some (in substance limited) powers away from the monarchy to the parliament and to the (royally appointed) "head of government". The new constitution also recognised Amazigh (Berber language) as the second official language of the country.

Electoral Reforms: electoral laws and the established party system naturally have a crucial impact on the political system and its potential for democratic transition. In authoritarian regimes, autocrats have made extensive use of elections to sustain and legitimise their rule by creating a façade of democracy void of content. This practice is usually identified with the notion of "electoral authoritarianism" (Schedler, 2006) and it can be safely used to describe the role of political elections in virtually all the authoritarian MENA regimes in power before the Arab Spring. In turn, the combination of rigged, manipulated and fraudulent elections and the largely ineffectual and co-opted role of both sanctioned political "opposition" parties and legislative bodies had resulted in an especially high level of popular alienation and disenfranchisement from the political system.

Against this backdrop, MENA countries moving away from authoritarianism have faced the monumental challenge of restoring public confidence in the political system and its fairness. A first step in this direction has of course been to develop new electoral laws and political mechanisms aimed at ensuring fully pluralistic, fully competitive and fully open elections. Two key variables to assess the process of institutional development are the electoral formula used to allocate seats on the basis of votes and the features of the party system, both of which can be best captured during the so-called "founding elections" (O'Donnell, Schmitter and Whitehead, 1986).

These elections represent a fundamental moment for the transition, as they can easily become the engine behind subsequent party system development. Founding elections and elections in general are an essential moment in the transition both from the procedural and the substantive points of view. First, elections are the vehicles for administrative efficiency, which is necessary to establish a register of eligible voters, define constituency boundaries, confirm or disqualify candidacies, set up polling stations, count votes and apply the electoral formula. Second, they require and at the same time advance freedom of association and assembly, the rule of law and the sense of political community. Furthermore, not only are they vehicles of political participation, but they are also the starting point of the chain of accountability. Free and fair elections are predicated upon the notion of subsequent electoral moments, ensuring that power resides with the people, providing them with the means to judge the quality and responsiveness of their representatives and to ensure orderly succession in government.

It is therefore not a surprise that "getting the first elections right" has been a core challenge and priority in all post-revolutionary countries, at times generating heated debates over the format, process and timing of the elections. For instance, in the case

of Tunisia, an initial rift emerged between more prominent parties – like Ennahda – and emerging ones over the timing of the elections for the Constituent Assembly. While parties with better organisational skills and resources overall favoured quick elections, newer parties wanted to have more time to organise and gain momentum. Similar debates also emerged over which electoral formula to adopt, what level of sanctions or exclusion from political life should be imposed on former members of the Ben Ali regime, and which status and weight should be awarded to civil society in the post-authoritarian political system (Miller, Martini et. al., 2012). In addition to these internal debates, substantial efforts were also put into ensuring the fairness of the electoral process, a process that – again in the case of Tunisia – also saw the rise of civil society involvement in monitoring and documenting the October 2011 elections (as well as the subsequent ones).

Yet the role of elections in polities undergoing transition should not be unduly overemphasised. Excessive emphasis on elections risks falling prey to the "electoralist fallacy". Elections may indeed provide a façade to hide the real locus of power. Linz and Stepan provide an illuminating example of this type of "electoralist non-transition", namely when "the military retains extensive prerogatives that the democratically-elected government is not even de jure sovereign" (Linz and Stepan, 1996: 4). Indeed, electoral reforms and ensuring fairness and transparency of the electoral process is effectively only one of the necessary steps to rebuild the effectiveness, legitimacy and accountability of the political system. In this sense, other significant issues that also need to be addressed include the promotion and implementation of mechanisms to promote transparency and accountability and fight institutional corruption; promotion of inclusion strategies to promote the development of an active and engaged civil society, development of policies that foster pluralism and allow a truly free and open public arena to take roots.

Strengthening the Rule of Law and Judicial Reform: The concept of the "rule of law" has come to be a central ingredient in the transition of any country trying to achieve democracy (Maravall and Przeworski, 2003). The rule of law is seen as fulfilling two primary functions: a) protecting against arbitrary rules by imposing certain limitations, checks and balances on the exercise of state power and b) facilitating human agency by providing individuals with a predictable system of rules that allows them to calculate the legal consequences of their actions. The first function requires public officials' compliance with the existing laws and respect for the established divisions, checks and limits of power. The second function seeks compliance with established rules.
In abstract terms, effective rule of law posits predictability, certainty and legal security both between the state and individuals (vertical) and among individuals (horizontal). A

deficit in the rule of law results in arbitrary treatment, unpredictability and inconsistency, as well discrimination and the lack of access to justice. In turn, all these issues have routinely plagued the MENA region.

In addition, strengthening the rule of law is inevitably connected to the topic of judicial reform and in general the necessity to restructure and reform all institutions responsible for the control over the implementation, rather than the formulation, of rules. The judiciary is one such institution, with the task of granting all citizens unfettered access to justice to redress grievances, including complaints against the state and its agencies; as well as to enforce compliance with the law. While articulated and complex legal systems often exist in authoritarian regimes, their predictability, impartiality and effectiveness is quite a different matter. Quite the contrary, authoritarian regimes almost by definition curb the independence and powers of the judiciary. A look at the authoritarian regimes in the MENA region confirms this trend of restricting the freedom of the judiciary, while curbing its impartiality and autonomy. Such an intrusion regularly took place through constitutional texts or ordinary legislation regulating appointments and transfers, freedom of expression or salaries. Violations of the judiciary's independence also manifested itself in the repeated renewals of the emergency law that augmented the executive powers to the detriment of the legislative and judiciary branch. Hence, rebalancing the internal divisions of powers, strengthening checks-and-balances and reforming the judiciary to maximise transparency, effectiveness, autonomy and impartiality are all core policy priorities in the post-authoritarian transition period. On the other hand, strengthening the rule of law also means investing in reforming and improving the law enforcement and security sector, a daunting and especially complex task in virtually all Arab countries in transition.

Zooming in: the Case of Security Sector Reform

Effective security sector reform (SSR) is a fundamental step for countries undergoing (or attempting to undergo) democratic transitions. At the core of this concept are two key dimensions: "delivery of security" and "accountability" (or control). Indeed, one of the main goals of security reforms is to simultaneously ensure that the security apparatus is capable of responding to internal and external threats, yet unwilling or unable to use its strength and military force outside the realm of its mandated missions, tasks and roles. Thus, SSR focuses especially on the professionalisation of forces in order to improve the delivery of security to the people and to create an accountable security apparatus. In implementing security reforms, tackling the role of the military and redefining civil-military relations is often one of the key challenges. As argued in the seminal work by

Samuel Huntington *The Soldier and the State: The Theory and Practice of Civil-Military Relations,* the military must be subject to the control of legitimate civilian authorities. According to the author, civilian authorities should be responsible for devising national security goals and budgets, while the military, as an apolitical and professional organisation, should be responsible for determining the specific tactics required for their implementation. Similarly, from the standpoint of (democratic) transition theory, no transition from authoritarianism to democracy can be accomplished unless full transparency and accountability are established over the military and the judiciary. An overly close association between these two institutions and the executive power, namely when the military plays an overtly political role or the judiciary is kept on a short leash by the executive, is seen as a legacy of the old authoritarian system.

Given this brief background on SSR and its crucial role to strengthen the rule of law and advance a process of democratic transition, it is possible to better grasp both the urgency and complexity of conducting successful security reforms in the MENA region in general, and in regional countries in transition more specifically.

Simply put, security sectors in the Arab world have to tackle a complex and dysfunctional legacy, characterised by a general reputation for both brutality and inefficiency. Even today, according to the World Economic Forum, Egypt ranks 117 out of 148 when it comes to basic institutional requirements for competitiveness, such as judicial independence, security and the rule of law. It fared particularly badly with regards to the business costs of terrorism (148 out of 148), crime and violence (143 out of 148), organised crime (138 out of 148) and reliability of police services (132 out of 148). Tunisia ranked somewhat higher with 73 out of 148 when it comes to institutions, but like Egypt scored particularly badly on terrorism, organised crime, violence and police reliability. Similar statistics exist for Algeria, Lebanon, Yemen and Libya (2013). What is more, security sectors in the MENA region have also had a strong reputation for being overly politicised. In the triangle of state, people and security sector, the former – accountable to its people – should control the latter so that it effectively performs its duties. In the Arab world, however, the opposite has been generally true: governments or security sectors have not been accountable to the people, and the populace at large has been the subject of security rather than the recipient.

Thus, it is no surprise that when the Arab Spring erupted in early 2011, the reform of the security sector represented one of the protestors' central demands, for instance with repeated calls to tackle the brutality, impunity, and corruption of the law enforcement sectors in both Tunisia and Egypt. At the same time, ordinary Tunisians' and Egyptians'

disgust with the local law enforcement and intelligence apparatus did not necessarily extend to the armed forces. In general, across the MENA region (with notable exceptions), Arab forces have tended to rank higher in popular perception of legitimacy than regular civilian institutions such as political parties and parliaments. Although Arab citizens generally reject military rule – only 35% of Tunisians, 25% of Iraqis, and 19% of Lebanese would support the armed forces in power – the organisation as such generally retains high levels of trust across most Arab countries: 77% of Arabs say they greatly or somewhat trust in their military forces (Middle Eastern Values Study, 2014).

During the Arab Spring, the security sector (and, more specifically, the armed forces) did play a crucial role by supporting the regime changes, rather actively in the cases of Egypt and, and passively in Yemen and Libya where the forces simply fell apart. Just as significantly, in cases when the armed forces remained firmly loyal to the regime and willing to use deadly force to crush the unrest – such as in Syria – the authoritarian government found itself better equipped to withstand the revolution. Indeed, during the 2011 popular uprisings, the behaviour of the army, the police, the presidential guards and the intelligence services became a central element in understanding, on the one hand, the capacity of a regime to weather the protests and, on the other, the degree of violence and repression used to suppress the demonstrations. The decision to "shoot or not to shoot" was critical in explaining this course of events. Several authors attributed the variation in responses from the different military forces to two main structural factors: their degree of institutionalisation and whether their core interests depended on the survival of the regime.

Given the crucial role the security sector plays or has played in virtually every country in the region and considering some of the common problems – including bloated institutions, lack of clear purpose, along with a high degree of politicisation and centralisation – it appears clear that the challenge of SSR affects both countries in transition as well as countries undertaking more limited reforms. And yet, as a concept, SSR is a rather new model. Although outsiders have given security sector related-assistance to Arab states in the past, this never went beyond isolated efforts designed to improve operational capability. Comprehensive security sector reform, whether driven by insiders or outsiders, has not taken place so far.

Any attempt, from the inside or through international cooperation, to promote a sound SSR strategy will face several challenges: political polarisation, internal resistance, limited resources, weak democratic institutions, limited knowledge of SSR, incomplete Disarmament, Demobilisation and Reintegration (DDR) in countries such as Libya, and ongoing regional and local conflicts.

Politicisation is perhaps the most important concern; Arab security forces have more often than not played a political role within their own societies; coups d'état have in this sense been a frequent feature in the Arab world. Although it is true that the phenomenon has died down somewhat since the 1980s, it is still not extinct: successful coups in Sudan in 1989, Algeria in 1992, Mauritania in 2008, and Egypt in 2013 (not to mention four failed attempts in Iraq, Sudan and Mauritania between 1990 and 2008) are a testimony to the role Arab armed forces have played in the political system. And, of course, involvement in political life has also taken numerous other forms, from direct and open intervention to more subtle and behind-the-scenes influence.

The involvement of the armed forces in politics is a concern when it comes to SSR. It not only negatively affects the establishment and consolidation of democratic systems, but it equally has a detrimental effect on the armed forces' capacity. It distracts from the military's main purpose – defence of the nation – and thereby impedes cohesion, command and control structures, and leadership, and invites corruption in the military. Removing the armed forces from politics is therefore in the professional interest of any military organisation, but it is a notoriously elusive goal – with a recent World Bank study asserting that it took the fastest 20 countries 17 years to successfully achieve this separation. Successful measures to politically neutralise the military include implementing fully professional and meritocratic recruitment and promotion criteria, educational curricula emphasising the subordination of the armed forces to civilian control, clear separation of internal and external security tasks and a spelled out national security strategy streamlining the military's efforts. Logically, these efforts never involve just the armed forces themselves, but are embedded in a broader political and social context.

Another significant concern when thinking about how to implement effective SSR in the MENA region has to do with ensuring clear civilian oversight over the security sectors, something that in most Arab countries today is either nonexistent or largely dysfunctional. In authoritarian contexts controlling the security sector has indeed resulted in a number of deliberate techniques aiming at weakening those aspects of the armed forces which could have been used in a coup, rather than ensuring its maximum professional capacity with a minimum of a political threat. Needless to say, strong military influence on the political systems and lack of civilian oversight as well as weakened and "coup-proofed" armies are two sides of the same coin and, as powerful legacies of authoritarianism, they both need to be dealt with when planning comprehensive SSR.

In both cases, introducing effective and democratic civilian oversight – including parliamentary oversight, transparent resource allocation and management of the defence

sector and clear legal as well as institutional frameworks – are crucial and overwhelming missing elements in the Arab world. To begin with, some Arab parliaments – such as Morocco, Jordan, Oman and Qatar – do not have a defence committee at all; in other cases, such as Tunisia, national defence was handled in parliament by the foreign affairs committee, but its powers were severely curtailed. It had no controlling rights of national defence industries and no say in the sending of troops abroad. Its function, rather than exerting civilian oversight over the armed forces, consisted in advising on presidential national defence policies. But even where a dedicated armed force committee exists, their effective controlling mechanisms are usually limited. This reflects, of course, the parliaments' limited role altogether, not just in defence matters. The situation is slightly more complicated in Egypt, which has undergone several changes since the fall of Mubarak – none of which have challenged the rather opaque control mechanisms over the armed forces. Lastly, even parliamentarians who have been elected in a fully democratic fashion frequently lack the experience, knowledge or the resources to fulfil their mandate. A case in point are the Libyan members of the General National Congress (GNC), who lacked clarity on the identity of the commander-in-chief, the role of the defence minister in relation to an overly active chief of staff, as well as their own oversight role and available tools (Herald, 2014).

Budgetary constraints play a role, too. In million US Dollars, Tunisia spent 709, Yemen 1,439, Jordan 1,448, Lebanon 1,735, and Libya 2,987 in the year of 2012. Even Algeria, the top North African spender with 9,325 million dollars, spends only a fraction of what Germany (45,785 million US Dollars), the United Kingdom (60,840 million US Dollars) or the United States (682,478 million US Dollars) spends. Numbers are lower when it comes to internal security, although the events of 2011 have triggered higher spending in this domain. In Tunisia, the interior ministry's budget has increased to 86 million US Dollars for 2014, to 3.3 billion US Dollars in Egypt, to 7.2 billion US Dollars in Algeria (Magharebia, 2013). Most of these added funds are allocated to fund personnel costs, either by creating new positions or by increasing salaries and rewards for existing staff. This reflects a personnel-intensive pattern of spending, rather than a focus on weaponry or police equipment (with the notable exception of the Gulf States, which keep investing in modern technology). But this spending is clouding a difficult financial reality. In Tunisia, the average police officer earns the equivalent of 250 US Dollars – less than a local bus driver or a lower-level bank employee. In addition, internal security forces tend to be over-burdened, working minimum 12-hour shifts in areas as diverse as riot control, criminal investigation, or traffic control. In conclusion, Arab security sectors underperform in part due to harsh economic conditions, which in turn exist in part because the security sector underperforms. As an important caveat, however, it is important to note that none of this

applies to the Gulf States, which have managed to utilise their petroleum rents to further institution building; all of them fared well in categories such as police reliability, organised crime and business costs of terrorism, with Qatar ranking amidst the top three in every category related to institutions.

In conclusion, the issue of SSR is an especially interesting example to highlight both the importance and complexities of undertaking successful reforms in the context of post-authoritarian transitions.

Looking Ahead: Key Challenges in the Post-Spring Transitions

The Arab Spring changed the political game in the MENA region. Following the toppling of a number of previous deeply-entrenched dictatorial regimes, several important regional players – from Egypt, to Libya, Tunisia and Yemen – are now undergoing post-authoritarian transition periods. In analysing these complex, dynamic, context-dependent and non-linear political phenomena, the study focuses specifically on the crucial topic of institutional reforms. Here, the chapter draws attention to the common challenges all MENA countries in transition face, while still highlighting the importance of understanding each state's specific context and circumstances. A brief excursus into some of the most crucial and complicated areas of institutional reforms, from constitutional, to electoral, to judicial and security sector reform, reveals that the post-Spring balance sheet is overwhelmingly mixed, both by country as well as by thematic areas. For example, while all countries in transition seem to have made progress when it comes to improving the fairness of the electoral system, they are all in very different stages when it comes to issues, such as effective judiciary and security reforms.

Looking ahead, it is possible to make a set of preliminary observations – also drawing from the successful transition experience of Western Balkans countries such as Croatia – with respect to both critical conditions and areas of institutional reforms that need to be tackled in the upcoming years of transition:

- Investing in improving the effectiveness of the political system and its main institutions, with a focus on checks-and-balances and transparency;
- Focusing on comprehensive security sector reform;
- Prioritising rebuilding trust in the political system by bridging the gap between the state and its citizens and by fostering political pluralism and open debate;
- Supporting the development of an active civil society;

- Planning and executing institutional political reform in a broad context, keeping both the domestic socio-economic and the international economic and geopolitical context well in mind.

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The Role of Religion in Transitional Processes

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"This is not an Islamic revolution," declared the British journal *New Statesmen* a day after Hosni Mubarak was ousted from office in February 2011. Indeed, these upheavals did not bring theocratic regimes to power but certainly gave the political transitions that followed a religious flavour. They are all happening in Muslim Arab countries, where religious incursion into the political arena had previously been sharply limited or under rigorous control of state regimes. In this respect these changes fit in the post-1989 continuum of a surge in importance of "religious traditions and communities of faith" (J. Habermas, 2006). The role of religion in these transitions has at least three major implications: (1) that political parties with religious agendas have entered the political process, (2) that the mostly religious peoples of these countries want changes that are sanctified in accordance with their faith or, much less frequently, lack thereof and, hence, (3) that a new modus vivendi between official and popular Islam is in the making.

In the processes in all countries that erupted in 2011 religion played an important role but two of them stand out as opposing examples of the "end result" for religious parties: Egypt and Tunisia. The main Egyptian Islamist party is banned and since December 2013 considered a terrorist entity, while its Tunisian counterpart came second in the October 2014 parliamentary elections and stands firm as a major political force. The sinusoidal paths through political process in the past four years of religiously-oriented parties in Egypt and Tunisia will then be examined. Based on the analysis of the post-1989 struggles between religion and the state, a particular emphasis will be put on the religious debates in the constitutional process, followed by a brief comparative analysis of other transitions.

Islamist Parties

After a revolution in a society where religion had been repressed in one form or another, its role will usually be emphasised in the new system. This much can be learned from the third wave of democratisation in the early 1990s. Similarly, the Arab uprisings have opened the way to a new season for the religious-oriented parties and movements, helping to restart the debate on the role of religion in public life and on how Islam and politics can be reconciled. Tunisia, Egypt, Libya and other countries not as directly affected by the riots as Morocco have seen the rise of Islamic parties – belonging to the Muslim Brotherhood, the Salafi current or even Sufism – establishing themselves as key players in the transition. This has created internal divisions that had seemed sedated, if not created rifts that had never existed before.

There are numerous definitions of an Islamist party in literature (R. M. A. Saleem, 2014). For the purpose of this study, it suffices to define an Islamist party as one that advocates Islam as the solution to the community's social, political and sometimes also economic problems (*Islam al-hal*). If one admits that Arab societies today are polarised because of their opinion about Islamists there seems to be no need to differentiate between Islamist parties further. An anti-Islamist will usually view a religious party with suspicion, as often is the case in Tunisia, or even disdain, which can be observed in Egypt, no matter if that entity belongs to the moderate or Salafi current. The two cases under examination here – the Freedom and Justice Party (or the party emanation of the Muslim Brotherhood) in Egypt and Ennahda in Tunisia – do belong to the same family of moderate Islamist parties. Some would even claim that the term itself instantly brings to mind the Egyptian Muslim Brotherhood (H. Haqqani and H. Fradkin, 2008), as the mother of many Islamist political parties, including Ennahda. Both parties advocate Islam as the solution, want law based on sharia (simply meaning Islamic law, of which there are many interpretations) imposed by the state, which thereby becomes – it is feared – an Islamic state.

Therefore, should democracy as we know it in Europe naturally dread Islamist parties, especially if the democratic system is only about to take root in post-authoritarian countries? Egypt and Tunisia are two examples of "transitions", which, albeit very different, both invalidate a positive response to this question.

Success in Tunisia, Failure in Egypt

In Tunisia, the main Islamist party to have formed in 2011 is the Renaissance Party or Ennahda. It describes itself as a "national political party with Islamic reference"[6] but thinks of itself as a broader movement, headed by Rashid al-Ghannoushi, a famous Muslim thinker. In exile before 2011 al-Ghannoushi knows his way in politics, both internal and external, strikes with eloquence and even writes op-eds for acclaimed European press. In September 2011 he wrote for *The Guardian*:

> *We have long advocated democracy within the mainstream trend of political Islam (…). It provides institutions and mechanisms to guarantee personal and public liberties, (…) protection of the rights of women, separation of powers, independence of the judiciary, press and media freedom and protection of minority rights. All these are in no way contradictory with Islam, but reflect the Islamic principles of consultation, justice and accountability as we understand them.*[7]

6 See Ennahda's Arabic website: http://www.ennahdha.tn/التاسع-المؤتمر-من-تنقيحه-بعد-الأساسي-النظام

7 R. Ghannoushi, "A day to inspire all Tunisians – whether Islamic or secular", *The Guardian,* 17 October 2014, http://www.theguardian.com/commentisfree/2011/oct/17/tunisians-islamic-secular-ennahda-election [last visited: 10 February 2014].

In that piece he expresssed what has since become Ennahda's political agenda as described on its website. In it, Tunisia is a democratic republic with "Islam as a point of reference that is balanced, moderate and in harmony with human reason."[8]

In the first year of transition, Ennahda went on to win 37% of the votes in the October 2011 elections to the Constituent Assembly. The biggest political power, it formed a coalition with two other factions: centre-left Ettakatol and socialist democratic Congrès pour la République (CPR). In the coalition agreement the parties split top posts among themselves: Ettakatol's Secretary General Mustapha Ben Jafar became speaker of parliament, CPR leader Moncef Marzouki became interim President of the Republic, who appointed Ennahda's Secretary General Hamadi Jebali prime minister. The government and the assembly, tasked with drafting the constitution, went through several political crises.

The gravest came with a rising terrorist threat. In September 2012 a mob attacked the US embassy in Tunis. The attackers were allegedly incited by the leader of Ansar al-Sharia, a radical Islamist group that would later be designated a terrorist organisation. The threat grew to the point that in the following year two political assassinations caused the most serious post-2011 political crisis: in February Chokri Belaïd, the leader of secular leftist Democratic Patriots' Movement, was shot in front of his house and in July Mohamed Brahmi, founder of the People's Movement opposition party, shared Belaïd's fate.

Ennahda faced its biggest test in late 2013 when under tremendous social pressure (not only from the Tunisian street but also from the NGOs) the national dialogue started to save the constitution drafting process and the transition itself. Thanks to the mediation of four civil society institutions in the crisis,[9] the party eventually agreed to relinquish power (January 2014) in order to finalise the constitution, agree on future parliamentary elections and, as we see today, remain an important player in Tunisian politics. In the October 2014 elections it won 28% of the votes with a high turnout of 69%. The decision to share power in the first place (2011) and then the realisation of the gravity of the political situation (2013), probably by close examination of what was happening then in Egypt and the urge not to repeat the Muslim Brotherhood's mistakes, led the party to political moderation.

The process in Egypt was different. Since 1954 the Muslim Brotherhood (MB), thanks to its exceptional ability to harness the deep religiosity of Egyptians, never ceased to be regarded as the greatest threat to any Egyptian ruler. The movement formed a specific network of units, engaged in charity, teaching and even participated in the 2005 parliamentary elections as independents. Their success then, winning almost all that they had decided to run for, was a tangible example of the movement's power. But the MB

8 See Ennahda's English website: http://mhabettounes.org/the-party/values/?lang=en

9 The mediators included: the biggest labour union, UGTT, the employers association, UTICA, the Tunisian Human Rights League, and the Tunisian Bar Association.

had not been known to be quick to govern becoming popular as a social organisation not a political party. Initially they were reluctant to join the street revolution of 2011 and that hesitation would later be used as an argument for their anti-revolutionary character and siding with the military.

The MB formed the Freedom and Justice Party (*Hizb Al-Hurriyya wal-Adala, FJP*) in 2011 and ran in parliamentary elections with an agenda that stipulated "building a strong democratic political system that safeguards the citizens' rights and freedoms, applies the principle of *shura* (consultation), and builds an institutional state where the rule of the law is the title of civilised modern human life."[10] Citing the Quran it went on to say that "there is no compulsion in religion," but apart from seemingly enumerating and supporting all basic human rights it also aimed to "ensure women's access to all their rights, consistent with the values of Islamic law, maintaining the balance between their duties and rights."[11] The wording is at times strikingly awkward, which in this respect clearly differentiates FJP from Ennahda, perhaps not so much in the religious ideology but in the quality of action and leadership. The brains behind the MB were not quick to engage in the political party – at most they chose second tier members and supporters to head the party. In comparison with Rashid Ghannoushi, a seasoned political and social thinker widely read throughout the Muslim world, Mohammad Morsi scored poorly. He may have picked out great advisors but the extent to which their advice was heeded remains debatable. Locally, however, the MB, well-known and respected among rural and suburban populations, would always do well. And so in the November 2011 to February 2012 elections the FJP won 48% votes. The Salafist alliance headed by the An-Nour Party came second with 28%.[12]

The scope of Islamist domination made secular movements – both activist and Nesserist – uneasy. On top of this, the first round of the May 2013 presidential elections ended with an impossible choice for many – either FJP candidate Mohammad Morsi or a *felul*, a representative of the Mubarak establishment: Ahmad Shafiq. While distrust of Shafiq was natural, the wariness towards Morsi was amplified by the MB's previous declaration that they would not file a candidate for the presidency in the first place. But they did.

Morsi won the presidential elections by a small margin but was immediately deprived of an allied parliament by the military. In a famed Fairmont hotel meeting with most of the opposition parties and organisations he signed a cooperation agreement with them and publicly made what seemed an impossible list of promises to the people.[13] But the FJP/MB was left to rule alone and took, together with the government, the internal affairs portfolio, while the strategic portfolio remained in the army's hands. After 100 days in

10 Election Programme, Freedom and Justice Party, Egypt, 2011, http://kurzman.unc.edu/files/2011/06/FJP_2011_English.pdf. The official website www.fjparty.org no longer works.

11 Ibid, p. 12.

12 Egyptian Salafists, who propagate a far harsher interpretation of Islam than the Muslim Brotherhood, have taken part in the political process unlike their Tunisian counterparts and, what is more, they are the only Islamist party to have survived the anti-Islamist tumult of 2013.

13 A. Mukhtar and P. Sasnal, *Democratic Opposition Alone Will Not Bring Democracy to Egypt,* PISM Policy Paper, No. 11(59), April 2013, https://www.pism.pl/files/?id_plik=13514 [last visited: 10 February 2014].

office, the discontent with his inept rule was ubiquitous and the pressure was growing. For reasons not completely clear to this day, Mohammad Morsi decided to grab all power with his November 2012 decree to finish the work on the constitution in a scandalous speed and manner. The constitution was even accepted in a national referendum but over the following 6 months the tide against his rule was growing in society, whist the army was preparing for it to fail.

On 3 July, Morsi was ousted in a military coup after a mass protest in Cairo. The following events culminated in the Rabaa al-Adawiyya massacre in August 2013 when more than a thousand MB supporters and members were killed in a matter of hours. In a surprising unison of political forces a new political process started aimed at crushing the MB, writing a new constitution and forming a new, military-instigated government. Religious authorities – both Muslim, such as Al-Azhar, and Coptic – sided with the army.

The argument against the MB when in power was that they were going to Islamise the state, but to this day the smoking gun has not been found. Rumour had it that the MB were "Ikhwanising" (Ar. *akhwana*) institutions and were even going to Islamise the educational system by changing textbook content – neither of which could be corroborated today.[14] What should have been the ultimate proof of Islamising the state would be the 2012 constitution – written in haste to stave off opposing views. In both cases then – Tunisia and Egypt – the Islamist character of the ruling party could be assessed best in the constitutional process, where key issues relating to religion and the state had been discussed.

Constitution: the Meeting Point of Religion and State

Historical experience in previous transitions shows that ideological inclinations of political parties come to the fore in the process of drafting a constitution and in its final stipulations. In order to assess how different the levels of religious presence are in the public sphere in Egypt and Tunisia certain elements of that presence and visibility need to be identified: invocation to God in the preamble; sharia as a foundation of state legislature; impact on citizen's freedoms – i.e. abortion, inheritance laws, equality of men and women in court, freedom of belief, religion classes in public schools or religious elements in the curricula.

This brief comparison between the Tunisian Constitution of 1959 and that of 2014 shows that both have an invocation to God, stipulate that Islam is the religion of the state and

14 P. Sasnal, *Myths and Legends: Modern History and Nationalistic Propaganda in Egyptian Textbooks,* PISM Report, May 2014, http://www.pism.pl/files/?id_plik=17465 [last visited: 10 February 2014].

all citizens have equal rights and obligations, although the 2014 makes it more explicit between men and women.[15] The new constitution is seen as a compromise between the religious and secular parties but some analysts point out that in the course of the constitutional debate Ennahda gave in on their initial plans.[16] It wanted a provision that Islam be "the main source of legislation" so that all Tunisian legislation and international treaties conform with sharia. Moreover, Ennahda members of the Constituent Assembly did not want to abolish the death penalty on the grounds that sharia allows it. Conversely, they intended to revert the possibility of adopting children (forbidden under sharia) and proposed a bill criminalising eating in public during Ramadan.[17]

However, secular parties opposed these proposals on the basis of multiplicity of Islamic interpretations. They would claim that in order to allow or forbid anything based on sharia, they would have to first conclusively decide which interpretation is binding. Eventually everyone agreed to keep article 1 of the old constitution, which explicitly states that "Tunisia is a free, sovereign and independent state, whose religion is Islam." Equally heated was the debate about women's rights, which in effect lead to unusually firm statements in articles 21 and 46. Here too Ennahda conceded its initial proposals, such as offering housewives a pension, annulling state support for unmarried mothers, abolishing adoption and reintroducing polygamy.

The main reason why Ennahda did not manage to introduce those changes was the government's responsiveness to civil society and media pressure. Each time a controversial proposal of this kind was put on the table the strong social reaction made it impossible to continue developing it. Sometimes the critique was not centred on the Islamists alone as in 2012 when the working group on rights and liberties suggested a provision that "women are complementary to men". Another reason for the consensual adoption of the draft constitution was the political crisis after the second political assassination. It made Tunisians extremely alert, to the point that a large sit-in in front of the Constitutional Assembly forced the government to step down. The new technocratic one finished the constitution, leaving out the controversial article.

The fate of a proposal to criminalise blasphemy was similar. The idea gained ground in June 2012 after an incident at an art exhibition in Tunis, considered offensive to Islam by some Tunisians. Ennahda strongly supported a bill enforcing appropriate respect for religion, religious figures and symbols but in effect that provision also had to be dropped due to political and civil society opposition.

15 See annex 1.

16 "Egypt's constitution. An endless debate over religion's role", *The Economist,* 6 October 2012, http://www.economist.com/node/21564249 [last visited: 10 February 2014].

17 "The Role of Islamic Law in Tunisia's Constitution and Legislation Post-Arab Spring", May 2013, http://www.loc.gov/law/help/tunisia.php.

There were hardly any checks and balances in the Egyptian process of drafting the constitution. The greatest debate in Egypt was over who sits in the body that is tasked with drafting it. Unlike in the Tunisian case, it was not a group elected in national suffrage but first by the Islamist-dominated parliament and then, when that assembly was dissolved, negotiated between political forces (2012) and finally by anti-Islamists after the ousting of Morsi (2013). In essence, then, the two constitutions – the "Islamist" in 2012 and the "secular" in 2014 – should be very different, given the circumstances in which they came into being and the people who oversaw their creation. A closer look at the text, however, disproves that thesis.

It is interesting to note that there is an invocation to God in three subsequent Egyptian constitutions of 1971, 2012 and 2014.[18] All three stipulate that sharia is the main source of legislation, while Islam is the religion of the state. There is almost no difference between the three constitutions in how they describe the "family" (nucleus of the society or the basis of it) and its foundations (religion, morality and patriotism). As for the equality of men and women, it is worded in less egalitarian terms in the 1971 constitution, while the 2012 constitution guarantees no discrimination, intercession, or favouritism when it comes to rights and duties of men and women. The 2014 constitution goes so far as to make the state responsible for the achievement of equality between women and men in all civil, political, economic, social, and cultural rights in addition to granting women "appropriate" representation in the parliament. All three constitutions guarantee the freedom of belief and the freedom to practise religious rites, except that the 2014 constitution privileges the "Abrahamic" religions in this respect. This comes despite and as an addendum to the rule that sharia is the main source of legislation. And finally, in all three documents religious education is a "principal", "essential" or "core" topic of general education curriculum.

Unsurprisingly, the rule that sharia be the source of legislation raised doubts from secular Egyptians, but the gist of the debate was whether sharia would be the source, meaning the sole source of legislation or the main source, implying the existence of other sources of legislation as well. Al-Azhar came out against any change in that article: "Scholars differ over the text for rules of Islamic sharia because these change all the time, while the constitution should express fixed principles."[19] In the course of the debate, the Muslim Brotherhood leaned towards compromise on this particular matter. They argued that sharia is a tradition much more than a code, therefore defining it in absolute terms made little sense. Eventually, in both the 2012 and 2014 constitutions that article remains unchanged.[20]

The criticism against the constituent assembly of 2012 also arose as a result of the idea to single out monotheistic religions as the ones enjoying freedoms and protected by the

18 See Annex 2.

19 "Egypt's constitution…", ibid.

20 Article 219 of the 2012 constitution is a particular Salafi project. It stipulated that the principles of sharia include general evidence, the foundational principles of Islamic jurisprudence (*usul al-fiqh*), and the reliable sources from the Sunni schools of thought (*madhahib*). The reading of its meaning was two-fold: some said it added very little, while some would warn against it being a trampoline to more conservative sharia.

state.[21] Such a limitation would leave smaller denominations, such as baha'i outside of state guarantees. The Islamist-dominated assembly eventually did use the term "divine" religions in article 3 of the 2012 constitution but so does the 2014 constitution in article 64!

In summary, the constitution drafting processes in Tunisia was tumultuous but it does not seem as if Ennahda was able to enforce any religiously-inspired provisions that would not be accepted later in a broader consensus. When a consensus did not seem attainable, it would also back down on its initial proposals. In Egypt the whole process was marred with irregularities to be finally hijacked by one ideological force – first the Islamists (2012), then the anti-Islamists or the anti-MB camp (2014). Still, the 2012 constitution, save a couple of small exceptions, does not carry signs of Islamisation nor deviates substantially from the 2014 one.

Successful Religious Transitions Elsewhere

Religion has been a significant factor in political transitional processes in the post World War II period: from the Indian peninsula to Central and Eastern Europe in 1989/1990. In Asia there are numerous examples of transitions in countries with Muslim majorities and minorities: India, Pakistan, Indonesia, and Malaysia. In Europe there are already various levels of secularisation of political systems, roughly with France at one end of the spectrum and Poland at the other. Other examples can include Ireland or Italy. In the Middle East Israel is a democracy with active religious parties such as Shas – an ultra-orthodox party that advocates a state run according to Jewish law. There is also a group of an ultraorthodox population that does not recognise the state. Nevertheless, Israel has remained a very pluralistic society.

The following list of religious societies and their countries' ranking in the EIU Democracy Index 2012 proves that secularisation is a scale not an absolute value and a complete divorce between the state and religion is not a prerequisite for democracy: 13. Ireland, 32. Italy, 33. Greece, 37. Israel, 38. India, 44. Poland, 53. Indonesia, 64. Malaysia, 88. Turkey, Arab countries start with Tunisia at 90 and end with Saudi Arabia at 163 and Syria at 164.

Poland. The case of religious Poland, which had recently gone through a transition, is of particular interest because the Catholic Church became its immediate beneficiary: abortion was made illegal after 1989, and religious classes were introduced in public

21 I. Coleman, "The Explosive Debate Over Egypt's New Constitution", *The Atlantic*, 5 December 2012, http://www.the-atlantic.com/international/archive/2012/12/the-explosive-debate-over-egypts-new-constitution/265931/ [last visited: 10 February 2014].

schools. Yet the Church is now struggling to find a proper place in the public sphere. An analysis of the Polish transition is a good exercise to assess how much religion in a political system does not compromise the foundations of freedom and tolerance. Poland is a religious and democratic country: a "flawed democracy," according to the Economist Democracy Index.

The Polish Constitution of 1997 does not have an invocation to God and the preamble is a great example of ideological consensus, but it had been preceded by a vehement debate on the wording of the religious content and the work on the text took eight years. Faith in God and Christian heritage is mentioned in it:

> *(…We, the Polish Nation – all citizens of the Republic, Both those who believe in God as the source of truth, justice, good and beauty, As well as those not sharing such faith but respecting those universal values as arising from other sources, Equal in rights and obligations towards the common good – Poland…)*[22]

In Poland in the 1990s, the Catholic Church influenced the Right who accentuated the role and rights of the family and the nation, not the state or the individual. And so abortion was made illegal in Poland in 1993 as a result of Church activism. In 1990 religion was also introduced to the educational system and is now taught in public schools with two classes a week for an overall period of 12 years. Likewise Religious Instruction (*At-tarbiyya al-islamiyya*) is part of the national curriculum in Egypt and there are frequent references to the Quran in textbooks.

The same division can be seen in Poland between the Episkopat (Catholic authority body) and parish priests as exists between official Islam and popular Islam in Egypt or Tunisia. For example, on the occasion of the 2003 referendum, which asked if Poland should join the European Union, the bishops wrote a letter based on the words of Pope John Paul II to be read out as sermons during the Sunday mass to convince people to vote "yes". Some ultraconservative and rightist priests chose not to read it in their parishes. Parishes and priests remain, to a large extent, independent, free to say, advocate, promote whatever they see fit even if it is against the mainstream Catholic line. They may have the utmost influence on the people, their lives and decisions. Likewise, in Egypt Dar al-Ifta' – the official body issuing fatwas – may issue a fatwa forbidding female circumcision but local shaykhs may still advocate it, influencing the people more than official Islam.

Ireland. There is an invocation to the Holy Trinity in the preamble to the Irish Constitution: "In the Name of the Most Holy Trinity, from Whom is all authority and to Whom, as our

22 "The Constitution of the Republic of Poland of 2nd April, 1997", *Dziennik Ustaw,* No. 78, item 483, http://www.sejm.gov.pl

final end, all actions both of men and States must be referred." Ireland guarantees freedom of religion and "acknowledges that the homage of public worship is due to Almighty God" (Article 44 of the constitution). Religious classes are optional, but the Catholic Church runs 90 percent of primary schools in Ireland.

Greece. According to Article 3 of the Greek Constitution, "the prevailing religion in Greece is that of the Eastern Orthodox Church of Christ." In further articles, freedom of religion is declared. On the basis of the Education Law 1985, religious education is compulsory for all Greeks in primary and secondary school.

Indonesia. Interwoven with local cultural customs and religious beliefs, Islam in Indonesia, the largest Muslim country, has served as a nation-building factor. According to a study on Indonesian democratisation among the factors that contributed to the successful democratisation process was an absence of state-Islam or official Islam.[23] Its absence is the decisive factor behind the weakness of radical Islam in South-East Asia. In sharp contrast the official Islam in Egypt and Tunisia – the houses issuing fatwas, grand muftis and Al-Azhar in Cairo – suffer from poor political credibility. They are seen as tentacles of the political regimes, even if their religious authority is still respected.

Placid Religion, Unpredictable Leaders

Democracy is a softer system of governance and is the one most easily susceptible to be undermined by the terrorist activity of fundamentalist groups, which have become factors of considerable weight. Authoritarian regimes are now parroting the idea that they are the only real bulwarks against the alarming rise of extremist Islam. In their policy they are co-opting, as they have been over the decades, the official Islam in an attempt to stave off significant political opposition. But the example of Tunisia is proving the inevitability of the "either authoritarianism or extremism" choice false.

There is no significant ideological difference between Ennahda in Tunisia and the MB in Egypt in 2012 when in power. Other extra-ideological factors decided the fate of both. First of all the political and social relations in Egypt and Tunisia were different (see Table 1): Ennahda could learn pluralistic politics, how to rule in a coalition under a significant social pressure, while the MB ruled alone, which made them prone to the temptation to abuse power. The quality of leadership played to the advantage of Ennahda, as did the much weaker role of the army in politics compared with Egypt. The Tunisian army does not have a history of interference in politics, while the Egyptian military is possibly the

23 M. Buehler, "Islam and Democracy in Indonesia", *Insight Turkey,* Vol. 11, No. 4, 2009, pp. 51-63.

most important political actor in times of change. Had it not intervened in July 2013 the MB and FJP might have made decisions that would save the initial political process and lead to their more entrenched position in the political arena. The context was more favourable in Tunisia also thanks to a strong civil society – organisations that remained critical of many political actors, not only Ennahda, and managed not only to keep the pressure on them but also to mediate at the most precarious moment in post-2011 Tunisian history. Egyptian civil society, even though alive and kicking, was either too fractured or too obsessed with their anti-MB stance to remain critical of other political forces as well.

Finally, Tunisia is richer than Egypt and that also has a bearing on the choices of the people (see Table 2). The poorer classes in Egypt first and foremost wanted stability before – in their opinion – more lofty rights. As Morsi has proven a poor leader, who could not reduce the traffic or collect rubbish, they longed for a Mubarak type.

Table 1. Political factors

	Makeup of the government	Role of the army	Role of civil society	Quality of leadership
Tunisia	coalition	weak	strong	higher
Egypt	one party responsible	strong	weak	lower

Table 2. Economic factors

	World Bank status	GNI per capita, Atlas method (current US$)	Poverty headcount ratio at national poverty line (% of population)	Unemployment
Tunisia	upper middle income	4,150 USD	15.5%	15.3% (2013)
Egypt	lower middle income	2,980 USD	25.2%	13% (but ¾ below 29 years of age)

Source: World Bank database

However, not enough time has passed to define the position of Islamist parties, either in the Tunisian political system, where at first sight Ennahda has secured a stable position, or in Egypt, where despite the obvious further officialisation of Islam the religious constituency will require a genuine political representation if the country is to achieve a long-term stability. Research on well-established Islamist parties in Turkey, Morocco,

Indonesia and Malaysia has found support for two hypothesis: (1) that the longer and bigger their participation in the political system, the more they tend to de-prioritise religious elements of their agendas in favour of universal ones, and (2) that when in competition with each other political parties distinguish themselves by underscoring their agendas' religious themes (J. Chernow Hwang and Q. Mecham, 2014). After all then, much will depend on the electorate – its makeup, diversity, religiosity and expectations – all of which are rapidly changing with the young voters outscoring older generations.

Religion is an important part of life and for many people an indispensable feature of their everyday existence. Muslim societies are religious – their religiosity is measured above 80% (World Values Survey, Gallup). With a high degree of certainty religion, in general, plays a bigger role in the everyday lives of Egyptians than Tunisians, mostly due to different 20th century history and probably slightly greater Europeanisation of Tunisia. For example, surveys show greater support for political influence of religious leaders in Egypt (75%) than in Tunisia (58%).[24] Still, political actors, be it in a democracy or authoritarianism, will always try to make use of people's great religiosity, usually through official Islam. In other words, they will try to vent religious zeal through official channels so that it does not translate into a potent competitor for power. That alone makes a full secularisation, which in itself is a rare phenomenon anywhere outside of the Muslim world, improbable.

Besides, "in all its forms Islam claims to be able to legislate for the whole of human activity" (F. Halliday, 2003). It therefore may raise questions about whether a secular system is attainable for a Muslim society in the first place and puts arguments in the hands of those who object to such a system. On the other hand, there are principles in Islam that mimic those of a democratic order, i.e. *shura.* Islam is not static but has various schools of thought and interpretation. Depending on a political actor's intentions, that actor may promote either tolerance or jihad. The plasticity and universality of Islam makes it pointless to debate its compatibility with "democracy" in theological terms but it also makes it interesting to note that political phenomena can be and shall be both supported and opposed on the basis of Islam, precisely because of the variety of interpretations. A truly complete divorce between the state and Islam may be impossible but is not necessary for a working democracy, as shown in the case of Poland or Ireland.

That is not to say that religious incursion into the state must always be accepted. Religion promotes certain values and hence can influence the legal system but cannot

24 Pew Research Center, Religion & Public Life, http://www.pewforum.org/2013/04/30/the-worlds-muslims-religion-politics-society-religion-and-politics/ [last visited: 10 February 2014].

limit citizens' freedoms. For all political actors, for religion as for any other ideology there is a clear red line: the fundamental rights guaranteed by the Universal Declaration of Human Rights. They cannot be legally threatened by limiting inheritance rights for women, questioning equality of men and women or the freedom of belief itself. As long as these rights are guaranteed by an entity claiming to be inspired by Islam, there is no reason to panic.

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Annex 1. Relevant excerpts from Tunisian constitutions.

1959 Constitution

- **Invocation to God in the preamble:** "In the name of God, the Merciful, the Compassionate (…) to remain faithful to the teachings of Islam";
- **Role of Islam:** "The Republic of Tunisia shall be founded upon the principles of the rule of law and pluralism and shall strive to promote human dignity and to develop the human personality (art. 5); "Tunisia is a free, independent and sovereign State. Its religion is Islam, its language is Arabic and its type of government is the Republic" (art. 1); "No political party may take religion, language, race, sex or region as the foundation for its principles, objectives, activity or programs" (art. 8);
- **Freedoms:** "All citizens have the same rights and obligations. All are equal before the law" (art. 6); "The Republic of Tunisia shall guarantee the inviolability of the human person and freedom of conscience, and defends the free practice of religious beliefs provided this does not disturb public order" (art. 5);
- Role of the **family, religious elements in the curricula** – not mentioned;

2014 Constitution

- **Invocation to God in the preamble:** "In the Name of God, the Merciful, the Compassionate";
- **Role of Islam:** "Tunisia is a free, independent and sovereign State. Islam is its religion, Arabic its language, and the republic its system" (art. 1);
- **Freedoms:** "All citizens, male and female, have equal rights and duties and are equal before the law without any discrimination" (art. 21); "The right to life is sacred and shall not be prejudiced except in extreme cases regulated by law" (art. 22); "The State is the guardian of religion. It guarantees freedom of conscience and belief, the free exercise of religious practices and the neutrality of mosques and places of worship from all partisan instrumentalisation" (art. 6);
- **Equality of men and women:** "The State shall commit to protecting women's achieved rights and seek to support and develop them. The State shall guarantee equal opportunities between men and women in the bearing of all the various responsibilities in all fields. The State shall seek to achieve equal representation for women and men in elected councils. The State shall take the necessary measures to eliminate violence against women" (art. 46);
- **Role of the family:** "The family is the basic structure of society and the State shall protect it" (art. 7);
- **Religious elements in the curricula:** "The State shall guarantee the right to free public education at all stages and shall seek to provide the necessary means to

achieve a high quality of education and training, as it shall work to embed youth in the Arab-Islamic identity and their national belonging, and strengthen and promote the Arabic language and expand its usage, and instil openness to foreign languages and human civilisations, and spread the culture of human rights" (art. 39);

Annex 2. Relevant excerpts from Egyptian constitutions.

1971 Constitution

- **Invocation to God in the preamble:** "We, the Egyptian people, in the name of Allah and with His assistance (…) We, the people of Egypt, out of determination, confidence and faith in all national and international responsibilities, and in acknowledgment of Allah's right and His Heavenly Messages, and in the right of the country and nation, as well as of the principle and responsibility of mankind, and in the name of the Almighty and His assistance, declare on the 11th of September, 1971 that we accept and grant to ourselves this Constitution, affirming our determination to defend and protect it, and asserting our respect for it in letter and spirit";
- **Sharia as a foundation of State legislature:** "Islam is the religion of the State and Arabic its official language. Principles of Islamic law (sharia) are the principal source of legislation" (art. 2);
- **Role of the family:** "The family is the basis of the society and is founded on religion, morality and patriotism. The State is keen to preserve the genuine character of the Egyptian family-together with the values and traditions it embodies, while affirming and developing this character in the relations within Egyptian society" (art. 9);
- **Equality of men and women:** "The State shall guarantee harmonisation between the duties of woman towards the family and her work in the society, ensuring her equality status with man in fields of political, social, cultural and economic life without violation of the rules of Islamic jurisprudence" (art. 11); All citizens are equal before the law. They have equal public rights and duties without discrimination on grounds of race, ethnic origin, language, religion or creed (art. 40);
- **Freedoms:** "The State shall guarantee the freedom of belief and the freedom of practice of religious rites" (art. 46); "Freedom of opinion is guaranteed. Every individual has the right to express his opinion and to disseminate it verbally, in writing, illustration or by other means within the limits of the law. Self-criticism and constructive criticism is a guarantee for the safety of the national structure" (art. 47); "Freedom of the press, printing, publication and mass media shall be guaranteed. Censorship of newspapers is forbidden. Warning, suspension or abolition of newspapers by

administrative means are prohibited. However, in case of declared State of emergency or in time of war, limited censorship may be imposed on newspapers, publications and mass media in matters related to public safety or for purposes of national security in accordance with the law" (art. 48);

- **Religious classes in public schools, religious elements in the curricula:** "Society shall be committed to safeguarding and protecting morals, promoting genuine Egyptian traditions. It shall give due consideration, within the limits of law, to high standards of religious education, moral and national values, historical heritage of the people, scientific facts and public morality" (art. 12). (…) Religious education shall be a principal topic of general education curricula (art. 19);

2012 Constitution

- **Invocation to God in the preamble:** "In the name of God, the Merciful, and with His assistance, State";
- **Equality of men and women:** "The dignity of the person is equivalent to the dignity of the homeland. There is, moreover, no dignity for a homeland in which the woman does not enjoy dignity; for women are the sisters of men and partners with respect to national achievements and responsibilities" (preamble); "Equality of opportunity is there for all, both for male and female citizens. There is no discrimination, intercession, or favouritism when it comes to rights and duties";
- **Sharia as a foundation of State legislature:** "Islam is the State religion, and Arabic is its official language. The principles of Islamic law (sharia) form the main source of legislation" (art. 2); the noble Azhar is an independent Islamic institution of higher learning. It handles all its affairs without outside interference. It leads the call into Islam and assumes responsibility for religious studies and the Arabic language in Egypt and the world. The Azhar's Body of Senior Scholars is to be consulted in matters pertaining to Islamic law (sharia)" (art. 4); "The principles of Islamic law (sharia) include general evidence, the foundational principles of Islamic jurisprudence (*usul al-fiqh*), the reliable sources from among the Sunni schools of thought (*madhahib*)" (art. 219);
- **Freedoms:** "For Egyptian Christians and Jews, the principles of their religious law will be the main source in regulating their personal status, matters pertaining to their religion, and the selection of their spiritual leadership" (art. 3); "Freedom of belief is inviolable. The State guarantees the right to practice one's religious rites and establish places of worship for the heavenly religions. Details are specified by law" (art. 43); "It is forbidden to insult any messengers or prophets" (art. 44);
- **Role of the family:** "The family is the foundation of society. The family's foundations are religion, morality, and patriotism (…)Both State and society seek to preserve the

inherent character of the Egyptian family, its cohesion, stability, and moral character, and to protect the family as specified by law" (art. 10);

- **Religious elements in the curricula:** "Religious education as well as national history form essential subjects at all levels preceding the university" (art. 60);

2014 Constitution

- **Invocation to God in the preamble:** "In the Name of Allah, Most Gracious, Most Merciful"
- **Sharia as a foundation of State legislature:** "We are drafting a Constitution that affirms that the principles of Islamic sharia are the principal source of legislation, and that the reference for the interpretation of such principles lies in the body of the relevant Supreme Constitutional Court Rulings" (preamble); "Islam is the religion of the State and Arabic is its official language. The principles of Islamic sharia are the main source of legislation" (art. 2); Al-Azhar is an independent Islamic scientific institution, with exclusive competence over its own affairs. It is the main reference for religious sciences and Islamic affairs. It is responsible for calling to Islam, as well as disseminating religious sciences and the Arabic language in Egypt and all over the world. The State shall provide sufficient financial allocations thereto so that it can achieve its purposes. Al-Azhar's Grand Sheikh is independent and may not be dismissed. The Law shall regulate the method of appointing the Grand Sheikh from amongst the members of the Council of Senior Scholars" (art. 7);
- **Role of the family:** "The family is the nucleus of society, and is founded on religion, morality, and patriotism. The State shall ensure its cohesion, stability and the establishment of its values" (art. 10);

  Equality of men and women: "The State shall ensure the achievement of equality between women and men in all civil, political, economic, social, and cultural rights in accordance with the provisions of this Constitution" (art. 10); The State shall take the necessary measures to ensure the appropriate representation of women in the houses of representatives, as specified by Law. The State shall also guarantee women's right to hold public and senior management offices in the State and their appointment in judicial bodies and authorities without discrimination. The State shall protect women against all forms of violence and ensure women are able to strike a balance between family duties and work requirements;

  Religious elements in the curricula: "Arabic Language, Religious Education and National History, in all its stages, are core subjects in public and private pre-university education" (art. 24);

- **Freedoms:** "All citizens are equal before the Law. They are equal in rights, freedoms and general duties, without discrimination based on religion, belief, sex, origin, race, colour, language, disability, social class, political or geographic affiliation or any other reason" (art. 53); "Freedom of belief is absolute. The freedom of practising religious rituals and establishing places of worship for the followers of Abrahamic religions is a right regulated by Law" (art. 64);

The Role of Socio-Economic Policies in Arab Spring Countries

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The Arab Spring brought with it much hope of progress on meeting popular demands for higher standards of living, expanding democracy and freedoms. The images of youth in the streets, the slogans that rallied people to the squares and the active participation of huge masses of people were welcomed by much of the world as a sign of the end of "Arab exceptionalism."[7] and the launch of another regional democratic wave that would join previous transitions in Europe, Latin America, and other parts of the world. However, the course of history chose to move in more complex directions.

Uncertain leadership of the uprisings was reflected in a political vacuum at the top, a lack of vision on the future and competition amongst new, inexperienced groups of activists, and between them and other institutions (e.g. the army and security edifice, ancient regime remnants and political movements and parties, both of the rising Islamic variety and others with older secular colours). Meanwhile, the assault on regimes that had over-lived their shelf life necessarily weakened state structures and opened space for underlying forces with economic demands or suppressed identities (e.g. religious, tribal and ethnic groups in Libya, Syria and Yemen).

The rapid rise of Islamic parties, seemingly intent on excluding other groups from government using religion to justify it, frustrated activists promoting human rights. In a historical context, the 200-year arc of intermittent progress towards building secular models of government in the Arab world seemed to be turning decisively backwards towards Islamic precedents from earlier centuries. Sadly, the ISIS declaration of an Islamic State in parts of Syria and Iraq fits into this pattern.

The resilience of structural factors that are unresponsive to quick fix solutions is making governance towards realising improvements in living conditions even more difficult (witness the rapid change of six prime ministers of Egypt over a period of three years or so). The challenges include the high percentage of youth, the high percentage of unemployed, particularly amongst youth and women, the overall gender gap, the low literacy rates, the low allocations to vital services (health, education, social security) and the dependency on government subsidies. There seems to be an absence of vision and ability to formulate clear, pro-poor social policies or strategies to address deep structural problems in the region. This paper seeks to explore these problems, explain their dimensions and examine socio-economic policies introduced so far to target them. Considering the history of Turkey in democratisation, it also discusses whether Turkey is a candidate for becoming a model for Arab countries.

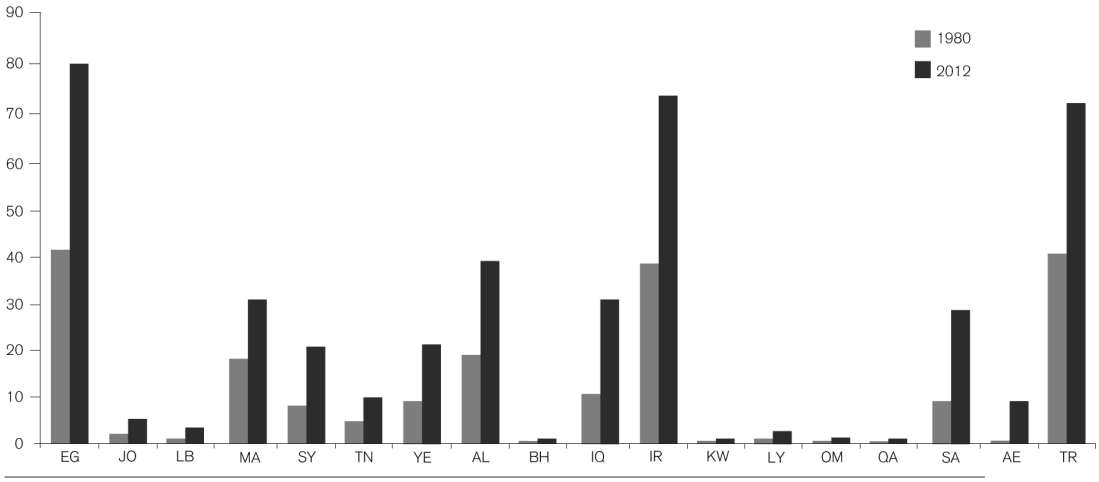
7 The idea that the Arab world did not join the successive global waves of democratic transition.

Socio-Economic Situation and Policies to Address Short- and Long-Term Challenges in the Region

Population

Arab countries constitute about 19.4 per cent of the world population with 362.5 million people (WB, 2013). In 2012, the population growth rate of the Arab countries was 2.06 per cent. This growth rate is approximately twice as high as the world population growth rate (1.01%) and the population growth rate of Turkey (1.2%) (WB, 2013; TURKSTAT, 2014). In contrast to developed countries, the population structure in many Arab countries includes a majority of young people (<25 years old) contributing to rapidly rising labour supply levels and huge unemployment (B. Mirkin, 2013). It could be argued that this was one of the major structural factors contributing to the Arab Spring revolutions.

Graph 1: Total Population in 1980 and 2012 (millions persons)



Source: WB, 2013; TURKSTAT, 2014.

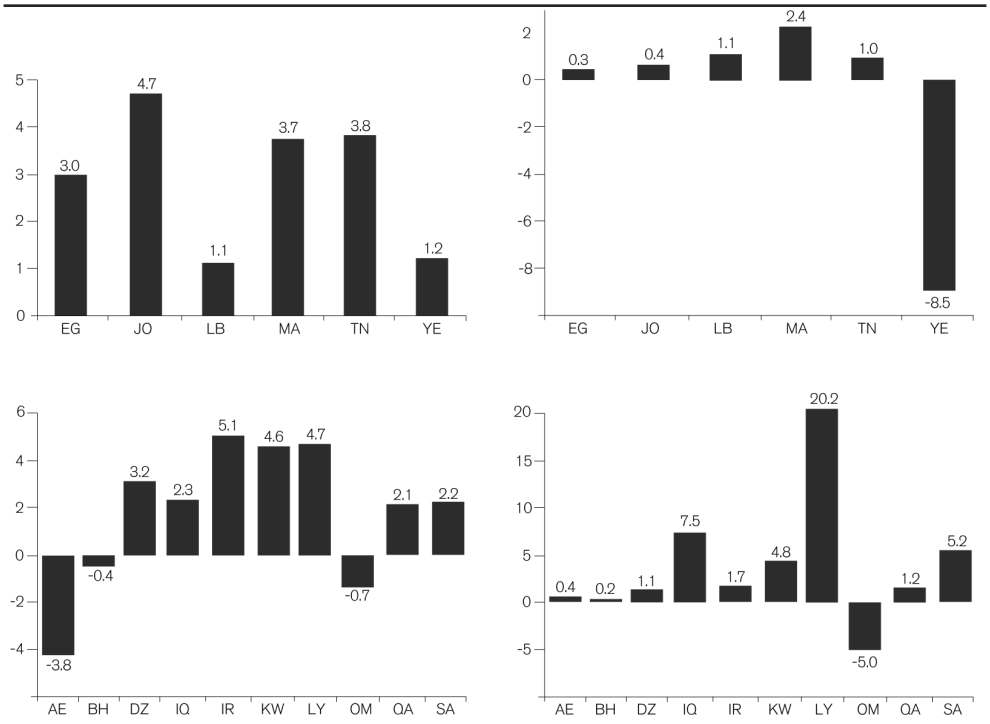
All Middle East countries introduced national family planning programmes to reduce the level of the crude birth and fertility rates of their citizens in the 1990s and policies to improve women's education and employment opportunities (O. Winckler, 1998).

Per Capita Income and Economic Growth

One of the other major structural factors contributing to the Arab Spring revolutions was the failure of the region to achieve inclusive economic development. In practice, inclusive

economic development is facilitated by economic growth (i.e. per capita income growth), whereby newly-generated resources can be used for public expenditure. Compared to the previous decade, the economic growth rates have generally decreased in many countries of the region.

Graph 2: Economic Growth Rates



Note: Calculated as annual percentage changes in per capita income levels from WB, 2013. Average values for the 2002-2007 and 2011-2012 periods are represented.[8]

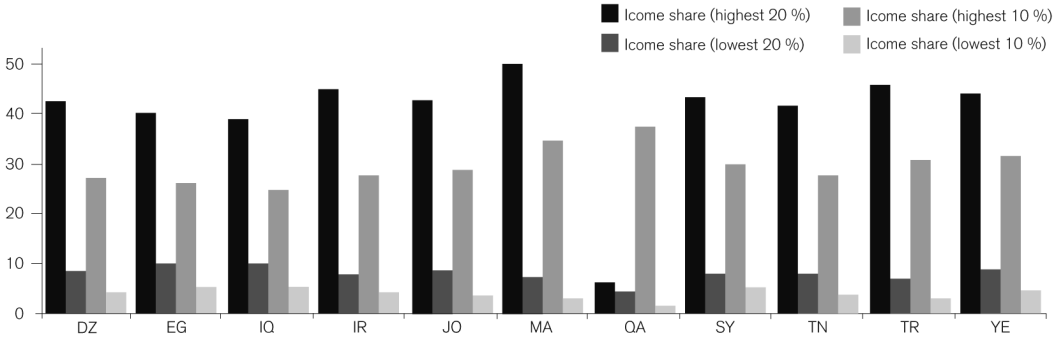
In those directly affected by the Arab Spring revolutions negative growth rates have been experienced. Most of the Arab Countries have by now announced ambitious reforms of generalised energy subsidies and other current expenditures to create better targeted social protection for the poor, and higher spending on infrastructure, healthcare, and education. These are important first steps in implementing the medium-term growth agenda. However, reforms to improve tax policy, civil service, and public financial management remain quite limited. More attention should also be placed on banking and financial sectors, governance, business climate, and labour markets. Most importantly, the projected growth performance remains far below the sustained 6 to 7 per cent rates needed to achieve a meaningful reduction in unemployment and improved living conditions for the broader populations (IMF, 2014)

8 Compared to economic growth rates of oil and non-oil economies, the average growth rates of Turkey for the periods 2002-2007 and 2011-2012 are 5.4% and 4.1%, respectively.

Poverty, Employment, Inflation Trends

In terms of poverty, the percentage of the population living below $2 international dollar (PPP) a day is high in Arab countries (e.g. Yemen 46.6%, Egypt 15.43, Algeria 23.61%, Syria 16.85%, Morocco 14.03) (WB, 2013). Moreover, poverty and income inequality are likely to exceed official numbers (C. Breisinger et al., 2012). There is also a huge gap between the income share held by the richest 10 per cent (or 20%) and the poorest 10 per cent (or 20%) of the population.

Graph 3. Income Share Held by Population Groups

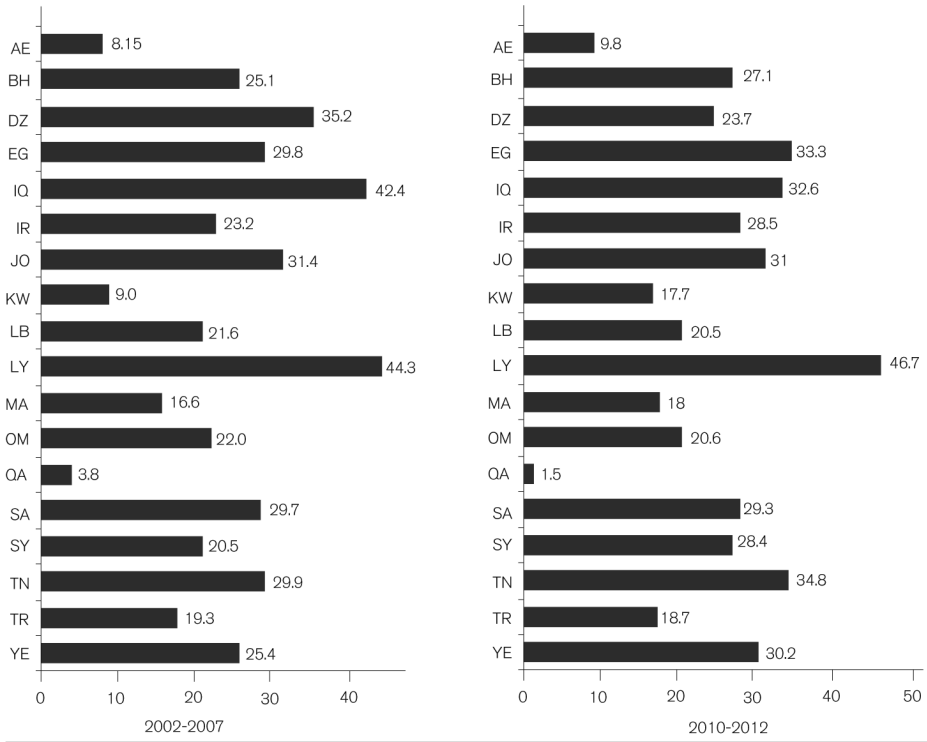


Source: WB, 2013.

Moreover, the region (except for Bahrain and Morocco) has serious economic problems caused by inflation. In particular, high inflation deters investment and impairs household disposable income. Arab Spring revolutions have not led to any trend shifts in national inflation rates except in Libya (WB, 2013). In Egypt, for instance, higher inflation has been experienced as international reserves have continued to fall and policy makers have allowed great exchange rate flexibility. Policy makers of many countries in the region are currently looking into ways to adopt a monetary policy that can strengthen external competitiveness (IMF, 2013). The region faces high unemployment rates as well; particularly for youths and women.

The already very high youth unemployment rose sharply during the Arab Spring; from 2010 to 2012 it increased by 4.5 per cent. Currently it is the highest in the world, almost four times larger than the global youth unemployment rate. Although female unemployment rates decreased between 2011 and 2012 (except for Saudi Arabia), they remain high. In 2012, the world average female unemployment rate was 6.4 per cent, compared to the Arab world and Turkey averages of 19.5 per cent and 10.7 per cent respectively (WB, 2013).

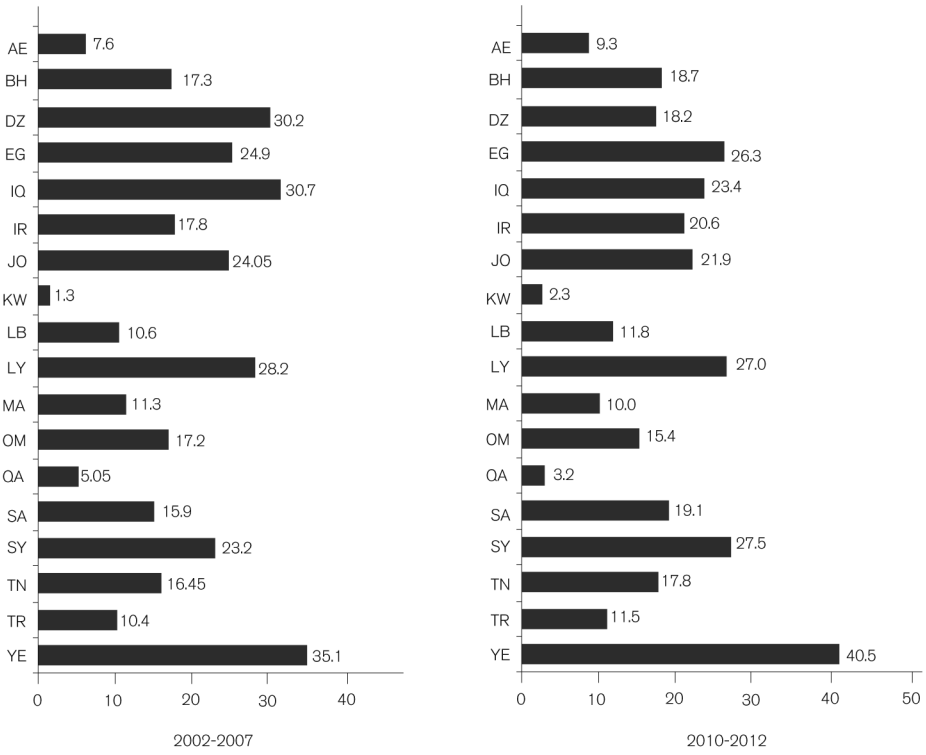
Graph 4. Youth Unemployment Rates (% of Total Labour Force Ages 15-24)



Source: WB, 2013. Note: Average values for the 2002-2007 and 2011-2012 periods are represented.

Another feature of the Arab World's employment situation is that public employment is higher than private employment. Indeed the region has the highest relative importance of public administration in the world. For instance, the share of public sector employment in total employment in Egypt, Jordan, Syria, Algeria and Iran is 36.5, 30.9, 40.7, 52.4, and 23.8 per cent, respectively (M.A. Behar and M.J. Mok, 2013). The public sector is the main actor for job creation but suffers from a precarious employment strategy. The private sector in Arab countries suffers from many weaknesses that hamper its role in absorbing employment. To further complicate this picture, political pressure associated with the events of the Arab Spring have resulted in the hiring of larger numbers of public employees, which creates higher wage bills (IMF, 2012). In Turkey, public sector employment increased between 2004 and 2012. However, this increase was in parity with employment growth in the private sector. Turkey limited the increase in public employment up to 2010 as part of a macroeconomic stabilisation programme (transition into powerful economy) that was introduced following the economic crisis in 2001.

Graph 5. Female Unemployment Rates (% of Total Female Labour Force)



Source: WB, 2013. Note: Average values for the 2002-2007 and 2011-2012 periods are represented.

Moreover, the privatisation of state-owned enterprises after the crisis contributed to a decrease in public employment. Murata (2014) provides effective policy suggestions that can support the development of more attractive jobs in Arab countries, specifically in Egypt's private sector, and lead to job creation and inclusive growth. The suggested economic policies are to narrow public-private sector wage differentials, improve benefit schemes targeting private sector employment (particularly support for continuing education, upgrading qualifications, and health insurance) and improve IT infrastructure. Taken together, these policies could significantly contribute to increasing the rates of a private sector employment among young Egyptian job seekers, even without public sector wage reductions.[9]

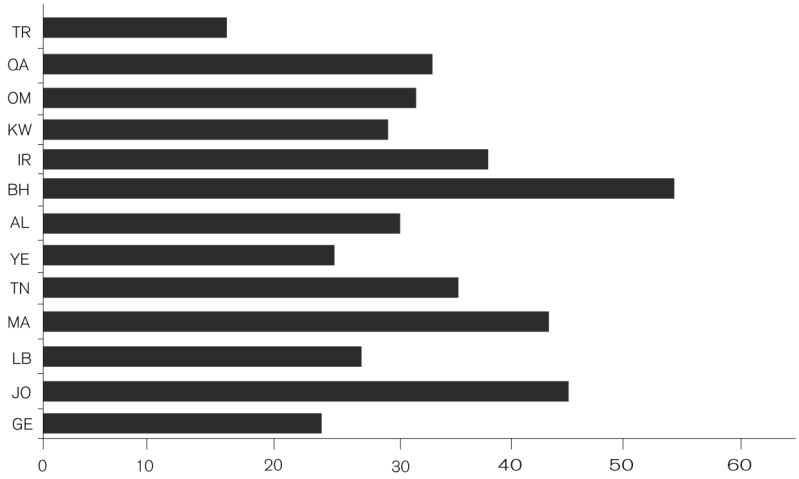
Education

The female population rate with at least secondary education is 32.9 per cent in the Arab region compared to a world average of 54.2 per cent.[10] Although the region has been

9 Government wages in the Arab region have so far constituted a high share of total government expenditures (M. SAID, 2001; T.M. YOUSEF, 2004).

10 Arab countries are following far behind the world countries in Human Development Index including its components, such as education, health, labour and political participation. The general Human Development Index score is 0.682 for Arab States and 0.702 for the world country average.

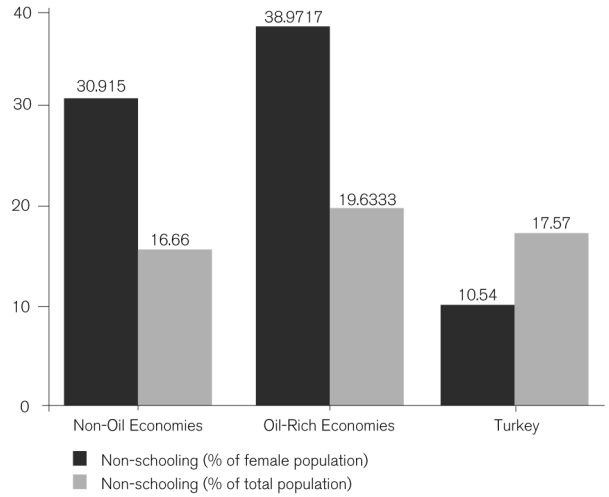
Graph 6. Central Government Wages (% Total exp.)



Source: WB, 2011. Note: ''Latest Year'' represents the statistics of 2008 for all countries except Algeria, Bahrain, Turkey and Oman. Algeria and Bahrain's latest year statistics belong to 2005, while Turkey and Oman's latest statistics are available in 2001.

closing gender gaps over recent decades (A. Malik and B. Awadallah, 2013), stark gender inequality remains with respect to the ratio of boy-girl schooling ratio and male-female literacy rates (R. Hausmann et al., 2013).[11]

Graph 7. The Average Non-Schooling Ratios

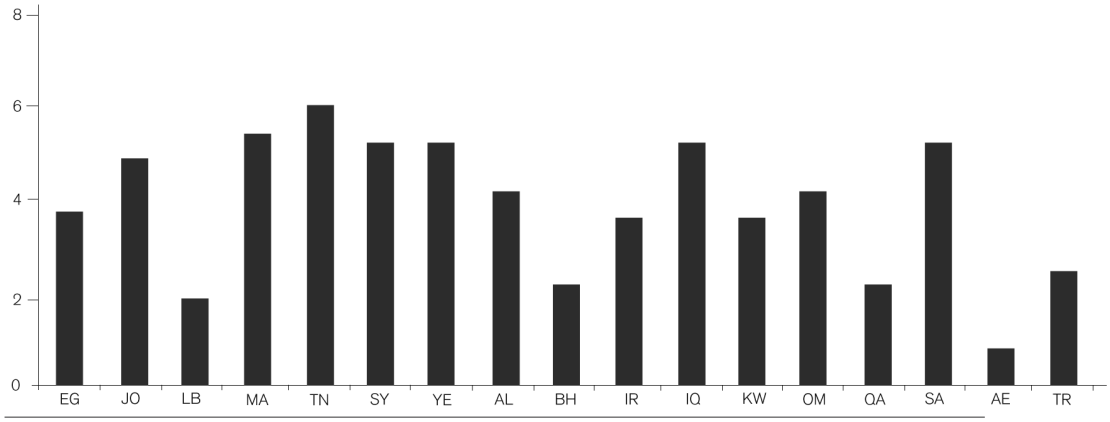


Source: R.J. Barro and J.W. Lee, 2013. Note: Graph is obtained using the most recent available data for each country.

11 Klasen and Lamanna (2009) have found that between 0.9 and 1.7 percentage points of the growth difference between MENA and East Asia is accounted for by gender gaps in education and employment.

Education quality does not match labour market demand, especially in vocational fields. Moreover, at all levels of education, large differences exist between service quality and the amount spent per student in the region. The weakness of the education system is highlighted by Malik and Awadallah (2013), who indicate that young people not only are unemployed but also unemployable. This problem persists despite the fact that public spending on education in the Arab World is comparable to countries in the rest of the world.

Graph 8: Public Spending on Education (given as percentages of GDP)



Source: WB, 2013.

Behar and Mok (2012) explain that public education spending in the region has negative effects on economic growth, due to the inferior and inefficient education system and ineffectiveness of public service delivery, while it is a driving factor of growth in the rest of the world.

In view of the effectiveness of public service delivery, better resource allocation policies are needed. For instance, public buildings for educational purposes are built without providing for efficient operations and maintenance (M. Pournik, 2011). Furthermore, weak and corrupt governance permeates all parts of the education system. A revision of subsidies and assistances provided to the education sector is needed without subjecting them to political allegiance (I. Saif, 2011). The EU has started to facilitate mobility by increasing slots available for university scholarships and exchanges in Erasmus Mundus, and by discussing Mobility Partnerships with Morocco, Tunisia, Egypt and Jordan. However, the partnership has been turned down by Egypt, and other countries are so far unwilling or unable to accept the agreements as they presently stand.

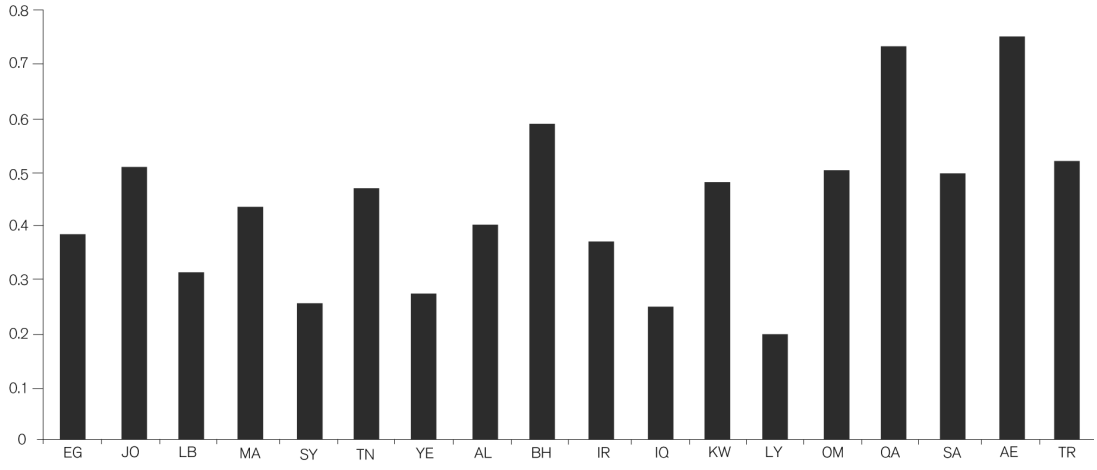
Governance

Another reason for the Arab Spring revolutions was the corruption that has been a source of discontent with authorities. Since corruption in this context implies that malfunctioning governance is in place to favour a small elite in society, it is clear that it can impose a binding constraint on inclusive economic development.

Evidence shows that, once corruption infiltrates institutions, it is highly persistent and very hard to counteract (B. Dong et al., 2012; A. Mishra, 2006) in comparison with other facets of malfunctioning institutions (attributed to low administrative competence, etc.). In the region, not only a shift in the governing authority benefiting from the corrupt state but also a further improvement in institutional quality is needed. Moreover, ridding institutions of corruption requires persistent and continuous work for a substantial period of time.

Graph 9 presents corruption indicators for Arab countries.[12] The figures show that countries in the region are heavily infiltrated by corruption problems, which is in line with evidence that it is one of the most problematic factors for doing business in the region (WEF, 2013).

Graph 9. Corruption Indices in 2013



Source: WB, 2014.

The countries in the region that are most burdened by corruption barriers to development are Libya, Iraq and Syria. The figures presented underline the persistence of corruption problems. Furthermore, there is no sign of major improvements after the Arab Spring revolutions. This may be surprising given the stark political focus on counteracting corruption problems in the region. A survey by Transparency International, a global non-

12 The indicators are inverse corruption measures recalculated to be in the 0 to 1 interval. Interpolated index values are used for the years 1997, 1999 and 2001, for which no data is available.

governmental body that studies bribery around the world, reports citizens continued frustration with corruption after Arab Spring revolutions. In Egypt, 64 per cent said corruption had worsened; in Tunisia, the proportion was 80 per cent. Christoph Wilcke, Middle East and North Africa Director for Transparency International, recently said that with the social and economic turmoil that has followed the Arab Spring, however, governments have had little time or energy to push reforms for reducing corruption.

Food Security

Global food price rises in 2008 triggered serious concerns about poverty, food security and malnutrition in the region (S. Akhtar, 2011). These price hikes (particularly bread prices) have been one of the factors causing the Arab Spring revolutions. In terms of both food production and consumption, the situation in the Arab region has been deteriorating. The region is food insecure both at the individual consumer level (high rates of poverty) and on a national level (reliance on imports) (D. Rosenberg, 2011).

Food insecurity in Arab countries essentially revolves around two issues. The first, resource endowments, relates to how different countries in the region have positioned agriculture in their economies and how governments deal with endowment shortfalls. The second is food prices, specifically how this factor creates vulnerabilities and impacts poverty.

Resource Endowments

Agriculture in the MENA region is severely constrained by availability of water and arable land. Currently, the region imports at least 50 per cent of its food (WB, 2009). Moreover, climate change is predicted to alter rainfall patterns. These challenges are made more difficult by the relatively high rates of population growth, low agricultural productivity and urbanisation driving food demand and therefore vulnerability (EIU, 2010). More efficient natural resource use is needed. For instance, Jordan is one of the most water-poor countries in the Middle East and the most water-stressed Arab country but the policies in place do not sufficiently target managing demand for water, particularly in rural areas. Jordan is primarily seeking to solve its water crisis by finding more sources of supply. This is a common malfunctioning strategy in the Arab region where groundwater resources should be managed more effectively, growing urban demand for water needs to be satisfied and ineffective governance needs to be tackled (S. Greenwood, 2014).

Food Prices, Fiscal Pressures and Poverty

Large and unpredictable variations in global agriculture commodity prices are particularly problematic in the region for producers, importers, consumers and governments. Increasing international prices place an upward pressure on the national and household budgets (S. Akhtar, 2011). The region plays a significant role in the rise of international commodity prices that are influenced by the ratio of stocks to use for major grains such as maize, wheat and rice. Almost 30 per cent of the world's wheat is consumed by the Arab World, making them the largest net importers of cereal globally (S. Akhtar, 2011; WB, 2009). When stock-to-use ratios are low, prices rise. Therefore, the region's dependence on imports is a significant risk for agricultural commodity prices (S. Akhtar, 2011). A critical division exists between oil-exporting and non-oil economies when it comes to increases in global food prices (D. Rosenberg, 2011).

Those countries with strong fiscal balances that are dependent on food imports (oil-producing countries) are less exposed to price risk but may face quantity risk resulting from export bans and other trade restrictions. Others that are less dependent on imports but have weak fiscal balances (e.g. Egypt, Morocco, Sudan and Syria) face low quantity risk due to higher domestic production levels but high price risk. Increases in food prices are likely to affect some groups more than others with the hardest hit being the rural landless, small or marginal farmers and the urban poor. Notably, 75 per cent of the poor in Arab countries are concentrated in rural areas (J.A. Lampietti et al., 2011). However, all governments can follow the recent strategy of Egypt implementing a ration card system for food subsidies. Subsidised bread continues to be sold at the unchanged subsidised price of EGP 0.05 per loaf (free market price of EGP 0.35 per loaf) with a maximum of five loafs of bread per person. Bakers in Egypt are no longer permitted to purchase wheat flour at subsidised prices but they will be reimbursed by the Government based on sales data gathered from the smart cards (FAO, 2014).

Moreover, the poor may sacrifice productive inputs to purchase food that has ramifications on their future earning potential (J.A. Lampietti et al., 2011). For instance, food shortfalls and bad nutrition (lack of micronutrient deficiencies like vitamin A, iodine, iron) can cause low birth weight, maternal malnutrition, child under-nutrition, being underweight, anaemia that can have negative effects such as higher child mortality rates, weak learning, lower IQs and increased rates of teenage delinquency (A.O. Musaiger et al., 2011). Furthermore, price shocks will inevitably force families across the region to make difficult choices regarding spending to educate their children or to seek medical care against the basic need to provide food for their families. To avoid such a calamity, Arab countries, regardless of their fiscal

position, must re-examine their exposure to food insecurity and the risk of decreased supply (WB, 2009). For instance, for increasing the meat supply, in December 2013, the Ministry of Agriculture and Land Reclamation (MALR) instituted a prohibition on the slaughter of live cattle that are less than 250 kilograms in an effort to increase red meat production. Slaughtering the animal at higher weights will produce more beef and feed more people. According to the ministry, the decision that took effect on February 2014 aims to protect 300,000 to 500,000 calves that would otherwise be slaughtered and will increase Egypt's red meat production, with an expected total of 150,000 tons per year.

Investment in research and development, as well as family planning services and educating populations about health and nutrition should also play an important part in food security strategies (J.A. Lampietti et al., 2011). The World Bank believes that education is the "first pillar" of improved food security in Arab countries. Educating families about nutrition can reduce demand for cereals. Health education programmes should also encourage families to choose a more balanced diet that is less dependent on cereal (WB, 2009). A primary goal of such programmes would be to make people aware of the nutritional composition of staple foods. For instance, a recent policy incorporating a range of life saving and preventive activities (Nutrition Cluster Strategic Response Plan 2014-2015) has been implemented in Yemen by a total of 24 nutrition partners (15 international NGOs, 6 national NGOs, 3 UN agencies). A total of 94 million USD was required to respond to immediate and high priority needs of nutritionally affected groups. By the middle of this year about 35 million USD was received by nutrition partners. To date, there is a shortfall of about 60 per cent of the funding requirement. The response plan comprises compressive service packages such as screening and treatment, multiple micronutrient supplementation, hygiene promotion and provision of hygiene kits to families and children. Out of 333 districts in Yemen, 152 were identified as serious or critical emergency nutrition areas.

Arab countries can enhance the food supply through increased investment in research, development extension and technology transfer (J.A. Lampietti et al., 2011; WB, 2009). Not only do governments need to invest in public sector research, but enhancing incentives for agricultural researchers within the private sector needs to be encouraged across the region to improve agricultural productivity, to deal with challenges such as water scarcity,[13] climate change and food insecurity. Higher productivity can in turn increase the purchasing power of the rural poor as well as increasing foreign-exchange earnings and reducing dependence on imports (J.A. Lampietti et al., 2011).

Active investment in infrastructure to produce, store and transport food[14] is also useful to reduce the effect of price shocks on imported goods (WB, 2009). Possible investments

13 Governments must encourage farmers to invest in water-saving irrigation and to switch from low-value water thirsty crops, such as wheat, to higher-value crops, such as vegetables and fruit (WB, 2008).

14 The World Bank notes that approximately three-quarters of the retail price of food is attributable to production, transportation and marketing (WB, 2009).

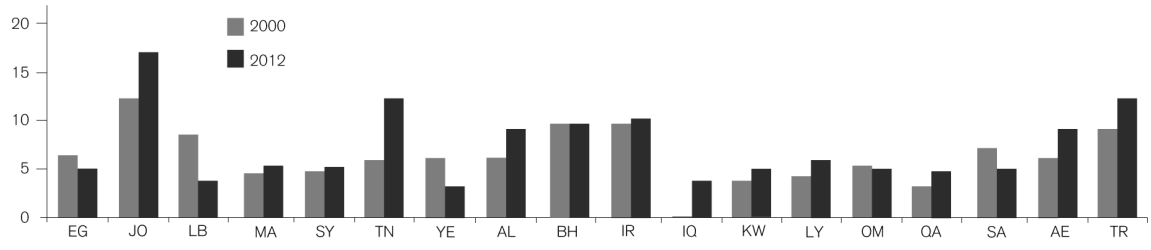
could be in infrastructure, land or technology. Investment does not necessarily have to be within the government's own country, it can be indirect investment such as support of research and development in those countries with the potential to increase agricultural exports to Arab countries. Arab investors are increasingly leasing or purchasing land in poor but land-abundant countries in an effort to secure food supply. Similar to domestic stockpiling capabilities, Arab countries can also invest in the permanent, mobile and intellectual infrastructure used to produce, store, and transport food abroad (J.A. Lampietti et al., 2011)[15] as the positive consequences of currently implementing the policy in Egypt known as the ration card system (R. Ramadan, 2014). Further, investment in production, transportation and storage could also allow those food-importing countries with access to inexpensive petroleum better arbitrage prices for both food and fuel (WB, 2009).

Even if Arab countries can successfully address demand and productivity issues, they will likely remain net importers of cereals and be exposed to the risks of thin markets and high prices. Improving efficiencies across supply chains and more effective use of financial instruments, such as options and futures, will assist in reducing exposure to volatility in the market (WB, 2009; J.A. Lampietti et al., 2011).

Health

There are big differences in health spending patterns between Arab countries. In 2012, Jordan was the country with the highest public health expenditure as a percentage of GDP (and as a percentage of government expenditure). In countries like Egypt, Yemen and Syria, public health expenditures stand for a low share of total government expenditures.[16]

Graph 10. Public Health Expenditures as a % of Total Government Expenditures



Source: WB, 2013.

Public provision of health is necessary to ensure equality. Perhaps the clearest justification for governments to intervene in healthcare is that health is one of the important basic human

15 Permanent infrastructure includes ports, silos, and roads. Mobile infrastructure includes assets, such as boats and trucks, and inputs, such as fertiliser. Intellectual infrastructure includes patents to seed varieties and other technologies.
16 Similar indications are obtained for public health expenditures as percentages of GDP.

rights or entitlements. Governments should therefore ensure that the most vulnerable group in a society is provided with at least the most basic healthcare.

Social Safety

Social protection in Arab countries has consisted of three major components in terms of contributory social insurance systems, social assistance systems (cash transfers and public subsidies) and social safety nets that have been privately provided. As in the case of health care, social safety nets through private sector provision have tended to increase social fragmentation (M. Karshenas and R. Alami, 2012).

The share of old age social protection expenditures, such as pensions, is the highest among categories of social protection expenditures, such as unemployment benefits, labour market programmes and other forms of social assistance (M. Karshenas and R. Alami, 2012). Public old-age benefits as a percentage of GDP lie in the 0.5 and 7.5 per cent interval with Jordan spending the most. In Turkey, the corresponding figure is 7 per cent. Tunisia spends the most on social benefits as a percentage of GDP, 3.4 per cent. The corresponding figures for Iran, Jordan, Bahrain and Algeria are 1.8, 0.7, 0.5, 0.3 and 0.2 per cent respectively (ILO, 2014).

Subsidies on items like fuel and food have often been high but inefficient at reducing poverty (C. Breisinger et al., 2012). Some food subsidy programmes have been criticised for the food waste and the leakage in the food subsidy system that takes place in the different stages of the food supply chain. For instance, two subsidy programmes in Egypt, the baladi bread programme[17] and ration card programme,[18] have required an increasing budget while suffering from the problems of waste and leakage. The weak targeting and the corruption resulted from a system structure where some non-poor groups benefit from the system. The leakage can be measured in terms of the amount of subsidised food that does not reach intended people. In 2008/2009, the baladi bread programme accounted for 68 per cent of the leakage of the system, while leakage rates change for the ration card programme depending on the ration programme, such as cooking oil with 31 per cent, sugar with 20 per cent and finally rice with 11 per cent. However, the Government of Egypt recently replaced the ration card system with a smart card system. This new system has embedded chips that contain data on the household head's monthly quota of subsidised goods and other household information as well. Such reform would enable the government to track both the distribution and consumption of goods included in the system using a simple electronic method in order to reduce wastage and leakage. For baladi bread, a new system was also implemented, in March 2014, starting with Port

17 Programme includes subsidised wheat flour (82%) and the dark country-style bread known as baladi bread.

18 This programme offers fixed monthly quotas of some commodities per person for households holding the cards.

Said as a pilot governorate and for all Egypt's governorates in October 2014. The new system provides 150 loaves of subsidised bread every month per person in households with an electronic card (R. Ramadan, 2014). These new systems in Egypt would be an example of social assistance reform for other countries in the Arab region.

Active labour market programmes (ALMP) in the region have not been efficient. These interventions include public employment services (PESs), employment subsidies, training programmes, public works programmes (PWPs), and micro, small and medium enterprise (M/SME) development programmes. Well performing ALMP systems require public-private partnerships. In Turkey, for example, well-functioning ALMPs are largely financed by the public sector but predominantly implemented by private providers (G. Betcherman et al., 2010) in contrast to Arab Countries. ALMPs in the Arab region are mostly provided by private centres and even publicly-provided ones, resulting in fragmented delivery that leads to duplication and inefficiencies. In Tunisia, publicly provided ALMPs, are often delivered by different ministries, such as Vocational Training and Employment, Regional Development, and Social Affairs. Due to poor inter-ministerial coordination and lack of one single decision-maker, many of these programmes are not efficient (S. Belghazi et al., 2013).

Poverty Related Social Policies in Turkey

Scholars from Europe, Turkey and Arab countries alike think that Turkey could play a role for the region after the Arab Spring. Turkey was definitely the most democratic Muslim country in the Middle East before the Arab Spring and might therefore be a likely candidate to become a model for Arab countries. In fact, Turkey in comparison with other Arab countries is still peculiar; mainly because of its secularism and guarantees of equal rights for women – a legacy of Ataturk's firm, pro-west orientation. However, it is crucial for Turkey to stay on track towards full democratisation. Moreover, the economy in terms of GDP has also been expanding over the years. The country became the fastest growing country after China in 2011 (A. Balcer, 2013).

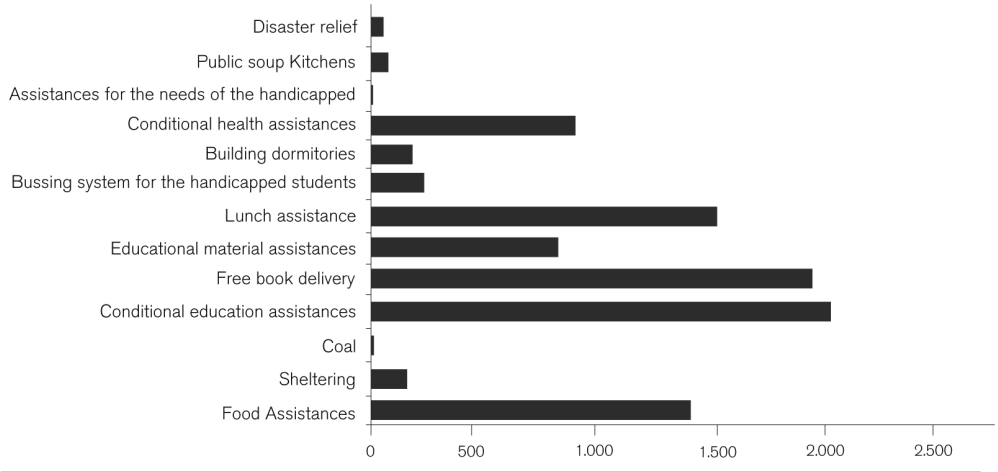
However, Turkey is also facing socio-economic challenges. For instance, while Turkey has been successful in sustaining positive GDP growth rates throughout most of the recent period, it has not been successful at generating employment for senior high school and university graduates. The employment rates for those groups have been decreasing from 2001 to 2013. In the same period, unemployment benefits have been substantially increased (TURKSTAT, 2013).[19] In addition to unemployment benefits, there are social assistance programmes on education, health and cash/kind transfers targeting families, children, and people with disabilities. In contrast to Arab countries,

19 The Unemployment Insurance Act was enacted in 1999 and was put into effect as of June 2000 in Turkey. However, since the introduction of the social assistance system in 1986, Turkey has been trying to address the detrimental effects of unemployment.

social policies are more efficient and relatively well targeted in Turkey with the aim of poverty alleviation.

Social Assistance in Turkey is categorised under six headings according to the purpose of extending support, including: Education, Health, Family, Assistance for Specific Purposes (such as public meal kitchens and disaster relief), Assistance Implemented According to Law No. 2022 (Allowances for elderly persons, for the handicapped and relatives of handicapped persons under 18, payment for MS patients), and Home Care Allowance. Family Assistance is further itemised according to specific interventions, including: food assistances, shelter, social housing projects, heating, support to widows, assistance provided for needy families. Education assistance is also specified according to each intervention, including: educational materials, conditional cash support, lunch, books, transportation, sheltering and food assistance (school meals) for the students, bussing system for handicapped students, and building dormitories. Health assistance consists of conditional health assistance (health and pregnancy), as well as support for the handicapped. The share of social assistance expenditures, as a percentage of GDP, was 1.43 per cent in 2012, which is almost three times higher than allocations in 2002 in terms of GDP share. The government spent about 19.6 billion TRL (11 billion USD)[20] in this area in 2012.

Graph 11: Social Assistances in Turkey/2012 (million TRL)



Source: S. GUNES, 2013.

There are also projects to encourage self-employment and entrepreneurship amongst the poor and vulnerable. In the 2003-2012 period, the total budget allocated to these

20 The exchange rate was 1.78 TRL = 1USD at the end of 2012.

projects was 1,351 million TL, benefitting approximately 1.5 million people. Moreover, the number of some of these projects, especially those implemented by women, was increased by 30 per cent in 2010 (S. Gunes, 2013).

Furthermore, the Universal Health Insurance scheme introduced in 2012[21] has increased the number of people under health insurance and provided higher access to healthcare services. The Family Medicine Programme (FMP) was implemented in 2010 to assign an individual doctor to each patient. Access to health care has been increased with both Community Health Centres (CHC) and Family Health Centres, under the supervision of 81 Provincial Health Directories. The rate of full vaccination coverage, the number of per capita visits to health care facilities and per capita hospital visits sharply increased from 2002 to 2011. The integration of the previous three main social security institutions under a single Social Security Institution has provided higher equity in access to health services (WHO, 2013).

In the 2002 to 2011 period, pensions and social assistance accounted for 7 and 3 percentage points of poverty reduction respectively by targeting the bottom 40 per cent of the population. Social assistance also contributed to the reduction of the Gini coefficient (J.P. Azevedo and A. Atamanov, 2014). As it is applied in Turkey, well-targeted social transfers and policies would result in a sharp drop in poverty headcount, depth and severity in many Arab countries. Effective safety nets are especially crucial to assist those households in greatest need. Such safety nets need to be flexible and targeted to ensure that programmes can be scaled up or down as needed. Scalable and targeted safety nets can also soften the impact of price shocks by ensuring that poor families can pay for healthcare or children's education as well covering food costs. In particular, cash transfers can protect those most in need and empower beneficiaries to make purchasing decisions. The evaluation by IFPRI (2006) provided considerable evidence that the CCT programme in Turkey had substantial impacts on a number of key education and health outcomes.

With its past achievements in reducing poverty and promoting health and education, Turkey has the potential to serve as a source of inspiration for Arab countries where poverty is much more widespread, economic growth is more volatile and social benefit systems are underdeveloped.

Conclusions and Recommendations

Arab countries in transition are facing stark economic and socio-economic challenges. While these challenges should not be underestimated, properly conducted policies could

21 The scheme replaced the Green Card Scheme (mainly for the poor) introduced in 1991.

improve the prevailing economic conditions and counteract socio-economic problems. In this regard, it is imperative to ensure that countries can build on resources available to create a strong foundation for sustainable development. In this context, it should be emphasised that policy makers need to access accurate information about the main economic problems to be addressed in their country. In the face of scarce resources, this information is not easily obtained, as can be easily confirmed by the lack of data availability and prevalence of high-skilled specialised economic expertise in the state apparatus. There is a clear opportunity for the EU and international organisations to contribute in this regard.

Many countries in the region have inefficient systems in place to counteract poverty and raise the income means of the poorest in society. There is often a heavy reliance on food and energy subsidies to help people reach subsistence levels, which tends to segment poverty problems and undermine the state of the economy. Overarching policies to introduce all-encompassing social insurance systems could alleviate the poverty problems while strengthening the democratic value base in society. If efficiently implemented, this type of policy would reduce poverty, introduce labour productivity gains, alleviate educational and health inequalities and raise aggregate economic growth prospects in the medium and long term. Such policies must go hand in hand with that of tackling the relatively large informal economy in Arab countries. Not only do policy makers lose out on precious tax revenues, but the lack of any form of social protection pertaining to all those making a living through odd jobs in the informal sector would make this a necessity to establish a basic form of equal treatment of citizens. An underlying motive for using subsidies is to counteract negative effects of food price shocks filtered in through world markets. In the past, Arab countries have responded to price shocks with combinations of trade and tax policies, safety-net programmes and wage increases (J.A. Lampietti et al., 2011). For example, Egypt banned rice exports and Morocco reduced wheat tariffs during the 2008 food price shocks. Tunisia reduced taxes on wheat and implemented price controls on strategic staples, and several Arab countries (e.g. Egypt, Jordan, Oman, Syria and Yemen) increased their public sector wages as compensation for higher food prices. Some Arab countries have implemented food and energy subsidies as a primary safety net for those at risk. All these remedies can be problematic. Subsidies, an almost ubiquitous feature across the region, can have huge social and fiscal costs while diverting resources away from more productive, alternative production uses. Subsidies all too often encourage waste and engender corruption. Safety nets do not always reach those most in need unless they are well targeted.

Moreover, many of the Arab countries experience gender inequality problems and there are indications that these problems have been exacerbated by the Arab Spring

revolutions. It should be emphasised that discrimination in the labour market is a waste of productive resources that reduces a country's economic growth prospects.

The corruption problems faced by the population in the region vary significantly between countries. For those that underwent the Arab Spring upheavals, there is no sign of improvements being made to date. Corruption strongly infiltrates the institutions of a country and is persistent in character. It is recommended that anti-corruption agencies are set up and provided with sufficient autonomy and resources to address these problems with the help of an independent and well-functioning legislative system and police force.

The support of international organisations and the EU to the Arab region can also play a crucial role in promoting democratic institutions, adopting necessary economic and institutional reforms and improving economic growth conditions. For instance, the World Bank has provided a diverse loan portfolio and implemented a range of development projects across the region, such as private sector support especially targeting female entrepreneurship, support for governance that has been used to target economic recovery and promote inclusive economic growth and support for the transparency of public finance, social inclusion and for the transparency of decision-making with particular focus on local communities.

In addition to the World Bank's 3.5 billion Euro already programmed for the period 2011-13, the EU provided around 350 million Euro to the region through the SPRING programme (Support for Partnership, Reform and Inclusive Growth) in 2011-2012. The programme targeted a number of key areas, including promoting democracy, economic growth, job creation, microfinance and higher education. Furthermore, the Deauville Partnership was launched during the May 2011 G8 Summit in Deauville by France with the aim of targeting economic stabilisation, job creation, enhancing participation and governance, and regional economic integration. The EU has also contributed by deepening the trade opportunities in the Arab region. The European Council approved negotiating directives for Deep and Comprehensive Free Trade Agreements (DCFTAs) with Morocco, Jordan, Egypt and Tunisia (Archick and Mix, 2013; EC, 2012; Wouters and Duquet, 2013). The EU Commission has launched a programme called ENPARD that aims to improve agricultural productivity in the region. These incentives have been criticised for their lengthy and acrimonious negotiations and mobility partnerships. More urgent action is required. For instance, stronger efforts could be put into realising EU support on trade (especially for agricultural products) and mobility. Greater progress on these issues would help the region and also contribute to growth in Europe (Fernández and Behr, 2013).

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External Actors and Regional Integration

A New Concept for a New Neighbourhood

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The Arab Spring's Cold View of Europe

At first sight, the European Union's European Neighbourhood Policy (ENP) vis-à-vis its southern neighbours in the Mediterranean seems to have suffered from a focus on the "low politics" of economic and technical cooperation, to the detriment of the "high politics" of diplomacy and defence. There is a wide range of ongoing activities, but without a strategy linking these to well-defined political ends. Unfortunately, activity is no substitute for strategy: if you do not know what your objectives are, even the most diverse array of activities is unlikely to achieve them.

However, a closer look reveals that "low politics" masked a "high politics" approach by the EU – but one that was very much at odds with the rhetoric of the ENP. Rather than the absence of strategy, it is the discrepancy between the declared and the actual strategy that handicapped the EU. In practice, the ambitious ENP agenda of stimulating neighbouring governments to equally provide for all their citizens in terms of security, prosperity and freedom was abandoned in favour of a short-term focus on energy, illegal migration, and terrorism. Whichever regime was ready to cooperate with the EU in these areas could count on our support, quite regardless of the human rights situation. The former colonial powers' special relationships with most countries of the region did not help either. As a result, pictures featuring embarrassing embraces with ousted dictators can be found of quite a few European leaders. Thus in the end the EU no longer adhered to its own principles. This was the context in which obviously flawed elections in, for example, pre-Arab Spring Tunisia did not lead to condemnations but to congratulations.

Had we remained true to our principles, we would probably not have seen a speedier or less violent transition, but we would have enjoyed much greater legitimacy in the region. In Tunisia people rose in revolt demanding exactly what Europe stands for, but they saw the EU as an obstacle rather than an ally in their struggle. For historical reasons people in our eastern neighbourhood can of course connect more easily with Europe than in the south. Less than in Cold War Poland perhaps but much more than in present-day Egypt, people in Ukraine can think in terms of a return to Europe and a restoration of the freedom they briefly enjoyed and was then taken away from them. In the south, Europe's troubled colonial history inevitably leads people to seeing Europe as foreign, paternalist or even imperialist. Having just made a revolution they are loath to accept any outside model, but cherish the principle of self-determination. Fortunately, that means that other outside powers seeking to increase their presence (the Gulf States, Russia, China) find it is not a walk-over either. But they are intent on gaining influence and they are on the rise.

At the same time even domestic actors who prioritise a religious agenda over the political, economic and social concerns of the people meet with strong resistance. Such was the case with the Muslim Brotherhood's short-lived reign in Egypt and with the Ennahda-led government in Tunisia, which peacefully stepped down in 2013. Therefore, one positive conclusion can be drawn. Revolution and protest in both our eastern and southern neighbourhood have vindicated the core idea of EU foreign policy (as expressed, for example, in the 2003 European Security Strategy). An equal share in security, prosperity and freedom is a universal demand and not a European or western conception; without it, no durable peace and stability are possible. The EU can build on this to revitalise its strategy for the neighbourhood.

The EU's Response to the Arab Spring

For reasons of curbing undocumented migration, fighting terrorism, and avoiding upheavals thought to be financially disadvantageous to European economies, before the Arab Spring, the EU by its own admission – much like the US – tended to support various authoritarian regimes in the MENA region (among the affected countries, most notably Tunisia's Ben Ali and Egypt's Hosni Mubarak). The European Commissioner for Enlargement and Neighbourhood Policy, Štefan Füle admitted that "too many of us fell prey to the assumption that authoritarian regimes were a guarantee of stability in the region. This was not even realpolitik. It was, at best, short-termism – and the kind of short-termism that makes the long term ever more difficult to build" (Füle 2011).

The Arab Spring came about as a result of home-grown political protest. The most important European contribution to the Arab Spring might have been, as Rosemary Hollis suggested, its encouragement of neoliberal economic policies, which exacerbated already weak economies and drained public services, thus precipitating widespread public unrest (Hollis, 2012). In the wake of the Arab Spring, the EU's external relations towards the region were to be rethought. And both in terms of rhetoric as well as in policy initiatives undertaken, the EU wanted to indicate a stronger commitment to the promotion of democracy, human rights, and civil society than before. EU policies were now to be guided by a "more-for-more" principle, i.e. the more democratic reforms that a country undertook, the more aid it would receive from the EU (European Commission, 2011). In other words, the EU was to apply a stricter version of positive conditionality in giving economic aid.

In order to rectify its past wrongdoings, the EU would now to a greater extent engage with peoples and not only with governments. In this regard, three main and overlapping types of

activities were to be intensified following the Arab Spring: support for democracy, support for human rights, and support for civil society. More concretely, one should point to the following long-term measures undertaken by the EU in the wake of the Arab Spring. First of all, the European Instrument for Democracy and Human Rights, EIDHR, was strengthened. The EIDHR may circumvent the wishes of foreign governments by financially supporting NGOs and various civil society organisations (CSOs) that are not recognised by the governments where they operate. Second, the EU created a revamped Civil Society Facility in September 2011, with an initial budget of 26 million Euros, an amount which was almost doubled the year after. Third, a European Endowment for Democracy, inspired by the US National Endowment for Democracy, was created in 2013 in order to support smaller grassroots organisations. It could also be noted that EU delegations are from 2012 more fully empowered to carry out support activities for human rights groups, and all EU delegations have at least one Human Rights Focal Point, seeking to engage all sorts of local human rights groups. Finally, the EU has substantially increased its support to the Anna Lindh Foundation, which also promotes civil society.

There is, as Rosa Balfour has argued, a peculiar tension in the EU's Arab Spring policies (Balfour, 2012). On the one hand, following the Arab Spring, the EU has repeatedly emphasised its willingness to "listen without imposing" as former High Representative Catherine Ashton put it (Ashton, 2011). In almost every statement that has been made in the name of the EU, it is emphasised that the EU will not dictate outcomes of democratic processes, and local ownership of societal developments in the region is consistently repeated. In more abstract terms, a right to differ from a European model is emphasised rather strongly. On the other hand, the EU has sought to more precisely define the sort of democracy it will want to foster. A case in point here is the introduction of the notion of "deep democracy", which is an understanding of democracy that goes beyond a narrow focus on elections and institutions. Ashton included the rule of law, human rights, gender equality, impartial administration, free speech, private investment and honest elections in the notion of "deep democracy" (Ashton, 2012). So at the same time as the EU proclaims its openness to difference, it also further specified its vision for how the region should be transformed. In this chapter, we will provide a broad vision for the EU's engagement with the region, in the long as well as in the short term.

Time for a Strategic Reappraisal

The start of a new Commission, including a new Vice-President and High Representative, Federica Mogherini, is the perfect opportunity to make a new start in the neighbourhood.

Fortunately, nobody seems to doubt any longer, as was long the case, that the EU should set priorities in function of its vital interests. They are obviously at stake in the neighbourhood: preventing spill-over of security threats to our territory, ensuring trade routes and energy supply, managing migration and refugees, combating trafficking of humans, arms and drugs, maintaining international law and safeguarding the autonomy of our decision-making.

Therefore, Europe cannot keep quiet but that does not mean that it should also try and establish an exclusive sphere of influence, as other actors try to do. The best way of preserving our interests is not by attempting to bring our neighbours under our control. Even if part of the population supports you, you will inevitably antagonise others, which is a recipe for perennial instability. Our interests are better served by empowering our neighbours to make their own choices, and to offer a mutually beneficial partnership if they also, but not exclusively, choose to cooperate with us. We do not need our neighbours to look up to us, but we do not want them to look away from us either – that would be very harmful for our interests. Empowerment starts with domestic stability, which starts with integrating all citizens in the political arena, guaranteeing their security, and their share in the wealth of the country. Regarding the latter, it is important to emphasise that long-term societal stability is impossible without an equitable distribution of wealth. Therefore, we certainly do not need to abandon the core idea of the European Security Strategy.

But we do require new regional strategies on how to bring this grand strategy into practice. Strategies, plural: the notion that a single Neighbourhood Policy can fit all of our neighbours has been proved wrong. One size does not fit all. The dynamics in the east (geographically and culturally in Europe, but also within the ambit of a power with irredentist designs, Russia) and the south (in Africa and Asia, where multiple powers compete for influence) are just too different. At the same time, the EU has come to realise that "the neighbours of the neighbours" are often as crucial to our interests. The "real neighbourhood", i.e. where EU interests are very much at stake, extends beyond the area covered by the ENP – as is witnessed by the EU's engagement in the Horn of Africa and the Sahel. Five partially overlapping and strongly interrelated areas are of vital importance to European security: the eastern neighbourhood, the Mediterranean, the Sahel, the Horn of Africa, and the Gulf.

In diplomacy, symbols matter. The EU would do well to gradually phase out the ENP brand, which rightly or wrongly has become associated with failure, in favour of an Eastern, Mediterranean, Sahel, Horn of Africa and Gulf Policy. These policies should be issue-based and thus geographically overlapping. The EU has a tendency, manifest also in the ENP, to see the world through the artificial geographic divides that are but its own creation and do not always reflect reality on the ground. Different issues generate

different regional dynamics, hence the EU should be flexible and approach the same country in the context of different regional policies according to the issue at hand. That of course requires prioritisation and strong coordination between policies, in order to avoid being neighbouring countries would be confronted with contradictory expectations.

An Ambitious Long-Term Security Provider

Before any new long-term regional policies can be put in place, the EU must address the ongoing crises in its neighbourhood.

A real game-changer that Europe has to take into account is that the US is reorienting its strategy. Seen from Washington there is only one strategic competitor: China, hence the "pivot" or rebalancing of the focus of US strategy towards Asia, which then Secretary of State Hillary Clinton announced in 2011. Of course "events, dear boy, events" will continue to pull the US in other directions. But a great power will also aim to shape events in priority areas – China and Asia are that priority for the US today. The not so implicit message to Europe is perfectly logical: we must assume a lot more responsibility for security in our own neighbourhood. And historically, US administrations have always wanted Europe to assume greater responsibilities for its neighbourhood. There is thus no contradiction between a strong European security and defence policy and a strong transatlantic link. The more capable Europe is, the more safely the US can focus on Asia; in that sense, the pivot hinges on Europe. NATO's Article 5 is there to guarantee, through conventional and nuclear deterrence, that our own territory is not under threat.

To start with, therefore, Europe must make it clear that we do consider the security of our broad neighbourhood to be our responsibility. Not because that is what the US expects from us, but in the first place because our comprehensive regional policies will not be credible if the impression persists, as in the past, that our engagement ends where hard security problems begin. Europe must be the first-line security provider in its own neighbourhood. Whenever a security problem arises, the EU must take the political lead, assessing what is happening, how important that is in view of its interests, initiate the necessary response, and forge the coalition to deliver it. In many instances a diplomatic response will be called for, at which the High Representative and the European External Action Service (EEAS) have already proven to be proficient (on Kosovo and Iran, for example), supplemented as required with sticks and carrots from the comprehensive EU toolkit (trade, development, SSR, sanctions, and so on).

But the EU must also show the ability and the will to use force, first of all as a credible deterrent that will enhance the effectiveness of its diplomacy. Actual military intervention is the last resort when vital interests and the responsibility to protect cannot otherwise be upheld. Even if the EU would formally declare the broader neighbourhood a security priority, at the level of grand strategy, whether or not to intervene in a specific crisis will always depend on an ad hoc cost-benefit calculation. What positive effects could intervention achieve, but which negative fall-out might it generate and which risks would our forces run? Crucial to the military success of recent interventions (in Libya and Mali) is that a major part of the population welcomed them.

That the EU and its Member States will find the political will to take the lead whenever security is threatened in its southern neighbourhood is far from guaranteed. The Ukraine crisis and tensions with Russia absorb a lot of attention, and in the face of the complexity of the situation in the south, capitals are hesitant about the right course of action. If EU foreign policy vis-à-vis the south seems wanting these days, it is not because the Member States prefer to pursue their own policies, but rather because they do not have a policy at all. Nevertheless, we Europeans have to realise that in the future whether or not to act will in any case increasingly be our decision. As a consequence of the pivot, the US will no longer automatically take the initiative in our place but will look to Europeans to take charge. The EU evidently is the best forum through which they can assume this comprehensive security role. If in a specific crisis Europeans then decide to take military action, they will of course call upon a Member State or NATO to provide the command and control for a European-led operation, through the Common Security and Defence Policy (CSDP) or NATO, depending on the circumstances. However, assuming our responsibilities has capability implications. Europeans must drastically step up military cooperation and integration through the CSDP to enable them to fulfil the Headline Goal (deploying at corps level or up to 60,000 troops) in the broad neighbourhood *over and above* any ongoing operations – that would be a real deterrent and strategic reserve. Furthermore, they must aspire to be able to deploy in this region relying on their own enabling capabilities (air-to-air refuelling, intelligence and so on) rather than continue to be dependent on the US, thus freeing up American assets for deployment elsewhere. In December 2013 the European Council set in motion a process that should lead to an increased and more coordinated European defence efforts. So far, however, Heads of State and Government will not be able to note that much progress when in June 2015 they take stock of the implementation of their 2013 decisions.

But Not Without Short-Term Crisis Management

An awareness of these long-term security obligations ought to provide the framework for the EU's short-term crisis management today.

In recent years, awareness has sharply increased across the EU that security in the broader southern neighbourhood concerns all of the 28. That does not yet translate, unfortunately, into a great willingness to act when forceful intervention is required. In Libya in 2011 and in Mali in 2013 ad hoc coalitions outside the EU had to take the military lead, at the initiative of Britain and France, with the EU as such not coming onto the stage until the follow-up phase. But the EU does now have comprehensive regional strategies for the Sahel and the Horn, in the implementation of which it has deployed training and capacity-building missions as well as the naval operation Atalanta. It also deployed a border assistance mission in Libya, and it attempted to play a vital role in the diplomatic processes to end the civil war in Syria and to prevent nuclear proliferation to Iran. The success of none of these engagements was guaranteed in the first place, but turmoil in the region reached another level with the military take-over of significant parts of Syria and Iraq by the self-declared Islamic State (IS) in 2014. What is required first of all is staying power: the will and the means to sustain our engagement until an acceptable end-state has been achieved.

The security situation in the Sahel appears manageable, but fighting in Mali remains ongoing and the EU will have to sustain its military deployment as well as its economic and financial support for years to come if the region is not to slide back into major instability. The vastness of the region is a challenge, but on the other hand even a limited number of major assets (e.g. air support) in support of local forces can make a difference as insurgents are mostly but lightly equipped. The EU might wish to consider an additional effort in this sense, alongside its training missions. In the Horn of Africa, the efforts of years are finally bearing fruit, but here too a sustained effort is necessary. It will be some time to come before Somalia is sufficiently stable and prosperous to eradicate the root causes of piracy. Until that time, the EU has no choice but to keep patrolling the neighbouring waters.

Much more challenging is the situation in Libya, which is far too chaotic and dangerous for the border assistance mission to be more than a token deployment. Unfortunately, gravely deficient follow-up has almost completely negated the effects of the successful military intervention in 2011, and eventually plunged the country into civil war fought between Islamists and forces loyal to the Libyan Parliament and General Khalifa Haftar.

The crisis in Mali in 2013 has already demonstrated the damage that spill-over from Libya can cause. Though success is by no means guaranteed, the EU has both the greatest responsibility and the most instruments to work with the Libyan authorities to try and create a semblance of stability. That implies a much more ambitious role than it is assuming today.

The gravest crisis is the civil war in Syria and Iraq. Initially, military intervention in Syria was calculated to cause more harm than good. Even the use of chemical weapons did not affect this calculus, as Obama's final reluctance to use force demonstrated. The war, however, has proved too intractable for the diplomatic process to achieve anything beyond the destruction of chemical weapons. At least spill-over of violence to where it was most feared (to Lebanon, Jordan and Turkey) has so far been limited, but the risk remains; military action may yet be called for to prevent it from materialising. In June 2014 the war spectacularly hit Iraq, when the extremist IS that was fighting Assad in Syria took everyone by surprise by capturing large parts of northern Iraq. Another proof (if more was needed) of the error of invading Iraq in 2003, Europe cannot consider this to be just an American problem, for the stability of the entire Middle East is at stake. Furthermore, the IS is exactly the group that many fighters originating from Europe have joined, hence Europeans have a responsibility to contribute to its defeat. Suddenly, military intervention was seen as imperative. Yet again only a few Europeans countries joined the US-led air campaign against the IS in Iraq, where the government formally requested assistance; they do not participate in the campaign over Syria, for lack of a UN mandate. Some countries from the region participate as well (for example, Bahrain, Jordan, Qatar, Saudi Arabia, and, until they withdrew after the killing of a captured Jordanian pilot in February 2015, the United Arab Emirates), but overall the perception regrettably remains that of another Western intervention.

Meanwhile the EU, together with the UN, the US and (in spite of the crisis in Ukraine) Russia, has no option but to keep putting pressure on all parties in Syria to bring them to the negotiating table. In view of the stalemate in the civil war, any agreement may have to include a continued role for Assad, at least in a transitional phase, for it to be workable. However much we may dislike the idea on principle, the crisis in Iraq has probably tilted the balance in favour of realism. A ceasefire between the non-IS opposition and Assad is indeed what the latter has been aiming at by consciously targeting the former and avoiding an attack on the IS. But as continued fighting is unlikely to break the stalemate it would only result in more loss of life, while a ceasefire would allow efforts to be focused on the IS.

The attempt to involve Iran in the Syrian negotiations was very wise and has to be kept up. Assad's regime is highly dependent on Iranian aid and Iran therefore holds an important key to a negotiated settlement of the conflict. A settlement for Syria has to take

into account the proxy war with Saudi Arabia that is going on and that will continue beneath the surface even though Iran and Saudi Arabia are now objective allies in the fight against the IS. The EU's role is not to take sides in this quest for regional dominance, but to strive for a regional arrangement in which all find their place. Hence the strategic importance of the broader negotiations with Iran itself. Care must be taken not to jeopardise the outcome of these by appearing so eager that Tehran would no longer see a reason to make many concessions – European energy companies especially are chafing at the bit. Yet a "normalisation" of relations with Iran would be a breakthrough indeed. "Normalisation" can only go so far, in view of the serious human rights issues in Iran (such as the hanging of homosexuals), though the situation in Saudi-Arabia, the West's "ally" in the Gulf is hardly any better. Here, the EU must stand up for human rights while also realising its lack of influence in that regard. But even a limited shift towards constructive relations on an issue-by-issue basis would be a game-changer for the Middle East and the Gulf – and there is probably a much bigger chance of transition in Iran, which is in many ways a much more open society than in Saudi Arabia.

Europe could thus try to maintain an equidistant position between Riyadh and Tehran, further diversify energy supply, and help stabilise the Middle East. As the US role vis-à-vis Iran remains constrained, for domestic political reasons, the EU is best placed to imagine an ambitious diplomatic scheme to take this forward – if it is willing. Even the US has stepped up its engagement, for the crisis in Iraq, where Sunni IS fighters are massacring Shia, is of great concern to Iran as well and has immediately produced informal consultation between Washington and Tehran. But the immediate goal remains to contain the IS. The military intervention is but a stop-gap measure to prevent the IS from taking control of an even larger territory and fending off the threat to Baghdad. Training and equipping the Iraqi armed forces will not suffice either, for until they see a credible political end state that they can believe in they will not fight, no matter how well we train them and how much advanced equipment we lavish on them. A clear political project for the future of Iraq and the region that can be supported by all of our allies in the fight against the IS: that is the enormous diplomatic challenge that Europe and the US ought to concentrate on. And if the viability of such a project demands that borders be changed, so be it.

A Partner in Pragmatic Idealism

If the security situation can at least be kept under control, the EU can revitalise its long-term multilateral and bilateral relations with the countries in its broader neighbourhood.

A multilateral forum would add value to bilateral relations, at least as a confidence and security-building measure for the countries of each region, which are often embroiled in tensions and disputes, but also to foster cooperation between sets of countries on concrete issues. The more operational the multilateral forums can be the better, of course, which requires a focused agenda. That certainly holds true for the existing forum: the ill-fated Union for the Mediterranean. With their participants, the furthest-reaching bilateral relations, such as association agreements, can be envisaged. Multilateral relations with the Gulf countries, via the Gulf Cooperation Council (GCC), need to become more political. For the Sahel and the Horn, European security initiatives in these regions can be the starting point for less institutionalised but focused multilateral meetings. In addition, ad hoc meetings in various constellations can be envisaged, including Iran, in function of the issue to be addressed, e.g. the security crisis in Iraq.

At the bilateral level, a reconceptualisation of relations is in order. Partnership is indeed the aim, but it cannot be the starting point. Partnership at first sight does not work. By declaring all neighbours to be partners from the start, the EU has weakened rather than strengthened the incentive for reform. Why change if you are on the list of the good guys already? Instead of changing its neighbours, the EU itself has become tainted by associating itself too closely with unsavoury regimes. Real *partnership* implies systematic consultation and regular joint action on an agreed range of issues. That requires a degree of agreement on both values and policy objectives, which can be achieved with democracies and countries in transition but probably not with authoritarian regimes. The EU should of course have a *dialogue* with all neighbours, starting from the realisation that in the absence of a membership perspective and because the paternalistic conditionality approach no longer fits in with this multipolar and post-Spring era, having a *reforming* role from the outside is extremely difficult. Playing a *moderating* role, curbing excesses, is realistic and important however, and can go hand in hand with issue-based cooperation on an ad hoc basis, as a prelude to eventual partnership. This is what could be called pragmatic idealism. When transition and democratisation do happen, such as in the so far only success to come out of the Arab Spring, namely in case of Tunisia, the EU can and must of course offer full support. In such a scenario Europe has a comparative advantage, for few other external actors can fully support democracy, in view of their own lack of it.

Within this context the EU should phase out the language of partnership, except where it really applies. A return to classic diplomacy is in order, speaking with all actors at all levels, privately but also publicly, in full view of public opinion in the country. For

this is our strongest asset throughout our broad neighbourhood: people have become active citizens and will continue to exert pressure on their governments when they perceive their rights to be ignored. In an important sense, the so-called Arab Spring demonstrated that Arab populations wanted to be recognised as citizens rather than subjects. Once found, this "class consciousness" cannot be put back in the bottle. Supporting free media and our own public diplomacy are very important in this regard. Secondly, the EU has a lot of expertise to offer (for example, on security sector reform) and should be generous when it is requested, especially in countries in transition. Thirdly, although other external actors at times have more resources to spend and the scale of the challenges is immense, the EU can still allocate significant budgets (for example, €15 billion for the European Neighbourhood Instrument for 2014-2020). Or at least they would be significant if they were concentrated on more specific priorities rather than fragmented across a wide array of well-intentioned but not always very effective initiatives. The highest priority appears to be investment in economically viable projects that stimulate employment and long-term development (such as transport and energy infrastructure).

Conclusion

As violence and foreign intrusion threaten the stability of many of Europe's neighbours, with full-blooded war going on in several countries, our broader neighbourhood certainly is in its worst state for a long time. There is a real danger that the Middle East is rapidly descending into a condition that recalls the Thirty Years' War, as the outgoing Swedish Minister for Foreign Affairs Carl Bildt put it in his farewell speech at the Swedish Institute of International Affairs in October 2014. But that does not mean that Europe is impotent to deal with this. The EEAS and the Commission have started a review of the ENP in early 2015. This is the moment to review our policies from the bottom up. If we deploy them pragmatically, our diplomatic, military, civilian and economic instruments, and indeed our values themselves, can have a great impact. The key, as ever, is strategy: setting clear objectives and choosing instruments and allocating means in function of those priorities. In the simplest of terms: not just doing things with the neighbours, but doing things for a purpose.

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EU's Promotion of Regional and Sub-Regional Economic Integration and Cooperation: Transitional Processes and Other Experiments of Regional Economic Integration in Europe, the Mediterranean and Asia Compared

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Introduction

The **objectives** of the working group and the WP Regional integration[5] were threefold:

i) Produce joint research and focus on comparative perspectives of challenges and setbacks of previous experiences in political transitions to democracy and the role of external actors;
ii) Produce policy-oriented analyses aimed at providing a better understanding of the democratic transformations in the Arab world and help regional and external policy-makers to devise better policies and support strategies;
iii) Analyse the weight of the perspective of EU access in fostering transitional processes and other experiments of regional integration. The research will also focus on the EU's leverage in boosting regional and sub-regional integration in the southern Mediterranean as well as the model provided by ASEAN.

In order to circumscribe the research topic it has been decided to understand the **concept of "Regional Integration"** as including the three following dimensions:

i) The promotion of regional economic integration;
ii) Cooperation to foster regional integration;
iii) Frameworks for dialogue at (sub-) regional level.

The **promotion of regional economic integration** can be achieved through accession to the European Union (EU) or the conclusion of Regional Trade Agreements with the EU such as: Customs Unions (CUs), Free Trade Areas (FTAs) and Deep and Comprehensive Free Trade Areas (DCFTAs). One of the objectives of this research is to show how important – or not so important – these EU strategies are to stabilise economies and political systems. It is therefore critical to make a distinction between different types of political stabilisation: short term, medium term, and long term; also stabilisation of a democratic or quasi-democratic regime (maybe in transition) or of an authoritarian regime.

Cooperation to foster regional integration is also a major component of the promotion of "regional economic integration". In the **Mediterranean** the main instrument is obviously the European Neighbourhood Policy (ENP) framework and more particularly the new financial instrument: the European Neighbourhood Instrument (ENI: 2014-2020). Within this framework three main tools are used: regional, cross-border and inter-regional cooperation. In fact, the Interregional cooperation has now been integrated into a

5 The working package (WP) 2.2 on Regional integration is one of the 7 working packages of the working group: "The Arab Spring in a Comparative Perspective". More specifically this sub-WP is part of the WP 2: "External actors and regional integration".

"neighbourhood-wide" programme that is mainly based on technical cooperation fostering legislative alignment and normative convergence. In terms of economic integration, other specific sectoral issues have to be taken into consideration, such as the rules of origin (cumulation) and specific sectoral agreements (e.g. "Open Sky Agreements").

As the EU concluded and is negotiating a number of **FTAs with Asian countries** it is interesting to analyse, in a comparative perspective, if the cooperation frameworks and modalities are adapted to this shift from pure cooperation to shadow economic integration. **EU-GCC** relations and perspective of integration (FTA) is also a case study to be taken into consideration given its links with the Mediterranean. The **ASEAN** is obviously another interesting case study and EU-Asean cooperation and perspectives in terms of FTA are thus to be taken into consideration as well. Inclusive multilateralism is also an interesting topic to address, as this could be used to build bridges between the EU, Asia and the Mediterranean. This includes potential developments regarding the G20 and multilateral governance.

Finally, four frameworks for dialogue have been taken into consideration in a comparative perspective:

- The Union for the Mediterranean;
- The "5+5" initiative;
- The EU Arab League track;
- The ASEM (Asia Europe Meetings).

Pre-Accession and (Deep) Economic Integration in the European Union

The enlargement process of the European Economic Community (EEC) initiated in 1973 (UK, Denmark, Ireland) is considered one of the most successful strategies developed so far in the framework of the European integration process. The second (Greece in 1981) and third enlargements (Spain and Portugal in 1986) had a strong Mediterranean flavour, whereas the 4th enlargement (Sweden, Austria, Finland in 1995) in a way re-centred Europe and was the first post-Cold War enlargement. Then, the fall of the Iron Curtain also allowed the so-called 2004 "Big Bang enlargement", the 5th, which included three new Mediterranean countries: Cyprus, Malta and Slovenia, as well as Estonia, Czech Republic, Hungary, Latvia, Lithuania, Poland, and Slovakia. In 2008 it was Romania and Bulgaria, followed by another Mediterranean country in 2013: Croatia. Due to the enlargement fatigue, the new President of the European Commission, Mr Jean-Claude Junker, has decided not to envisage further enlargement in the near future but on-going negotiations (like those with Turkey) will continue to take place. The Spanish experience is certainly relevant for the topic of this research work as a previous experience in political transitions to democracy where the role of an external actor, the EU, was crucial.

The pre-accession strategy is, of course, not the only way through which the EU can promote economic integration with its partners. Numerous Regional Trade Agreements (RTAs) – of different natures – have been concluded by the EU with many partners around the world and notably in Asia during the last decade. Of course, some of the deeper integration formats have been concluded with the EU's partners in its direct neighbourhood. In the EU neighbourhood, the general trend is clearly of a proliferation of bilateral but also sectoral agreements aimed at promoting normative convergence and legislative approximation with the *acquis communautaire.*

EU Pre-Accession in the Mediterranean

The relevance of the Spanish experience

The Treaty providing for the accession of Spain to the EEC (at the time, not yet the EU) was signed on 12 June 1985, after protracted negotiations that had begun in 1979. It entered into force on 1 January 1986. In fact, what had to be negotiated was not the need to reach common positions between the parties, but rather how and over what period Spain would adjust to the *acquis communautaire* and participate in Europe's budget and institutions. By the mid-1980s this acquis included "only" the Customs Union; the common agricultural policy; a unique system for purchase taxes (i.e. VAT);

external trade agreements and the Common Fisheries Policy (Blue Europe). At that time, neither European political cooperation (nor, of course, the CFSP) nor the Single Market legislation to come were part of the *acquis.* Nor was the EMS (the predecessor of EMU), so that Spain was not obliged to adhere to the ERM (Exchange Rate Mechanism) upon entry. A Home and Justice Affairs pillar did not exist either. Basically, accession was to an uncompleted Common Market that functioned mainly in the realm of goods.

Membership ended Spain's economic and political isolation of once and for all, which befell her after the Spanish Civil War in 1939. East-West détente in the second part of the 1970s facilitated the enlargement of the EEC to Spain. The latter was also made feasible because Spain's economy had been liberalised well before 1986 (e.g. some scholars tracing it back to 1957), and despite residual traces of state corporatism it was a functioning market economy. Moreover, finance was available to help overcome real shocks, such as the first oil crisis. Finally, the period preceding entry was characterised by market integration in the realm of goods (e.g. export diversification in the direction of manufacturing and increase in the industry's share of GDP). Entry added integration in the realm of business, financial services and capital and led to an increased share of GDP in the service sector, generally to the detriment of industry (and, paradoxically, not of agriculture; see below). What entry brought about was the final phase in the opening of domestic industrial markets and the beginning of the opening of continental agricultural product markets to European competitors. In turn, the CAP became a real shot in the arm for Mediterranean agricultural food producers.

The Balkans: new Member States and remaining "potential candidates"

Today, most of the countries having the status of candidate country (Albania, Macedonia, Montenegro, Serbia and Turkey) are located in the Balkans[6] and two of them, alongside Turkey, are conducting accession negotiations (Montenegro and Serbia). Two potential candidates are also to be added to this Balkan list: Bosnia and Herzegovina and Kosovo (despite the fact that Kosovo's independence is not recognised by all EU Member States[7]).

Slovenia and Croatia already acceded to the EU without many economic issues to refer to. However, at a more geopolitical level, it is important to stress their triple identity: European, Balkanic and Mediterranean. These two accessions have therefore clearly confirmed the "European destiny" of states created after the painful dislocation of the former Yugoslavia. The accession perspective is also certainly a factor contributing to the stability and prosperity of the region but tensions and crisis are still very noticeable.

6 Iceland is still officially a candidate but the negotiations that started in July 2010 were put on hold by the Icelandic government in May 2013.

7 See the complete list at: http://www.kosovothanksyou.com

For Bosnia and Herzegovina the European Commission stated in 2014 that the country "remains at a standstill in the European integration process. There remains a lack of collective political will on the part of the political leaders to address the reforms necessary for progress on the EU path. There has been very limited progress on political and economic issues and on moving towards European standards."[8] Kosovo is facing major socio-economic challenges recently illustrated by a "wave" of migration.[9] For Serbia, the Commission indicated in 2014 that "Serbia has made limited progress towards establishing a functioning market economy. A wide range of structural reforms needs to be implemented to cope in the medium term with the competitive pressures and market forces within the Union."[10] For the former Yugoslav Republic of Macedonia (FYROM) and in the same wave of 2014 progress reports, the European Commission stressed that "the EU accession process for the former Yugoslav Republic of Macedonia is at an impasse. Failure to act on the Commission's recommendation to the Council means that accession negotiations have still not been opened. (…) the government's failure to deliver sufficiently on a number of key issues damaged the sustainability of reforms, with backsliding evident in some areas."[11] Finally, on a more positive note, "Albania made some progress towards becoming a functioning market economy. Albania should be able to cope with competitive pressures and market forces within the Union in the medium term, provided that it further accelerates structural reforms."[12]

These sometimes (very) difficult situations combined with the so-called "enlargement fatigue" are not encouraging signs. Hence, the necessity to continue to stimulate regional economic integration, notably though the smooth implementation of the Stabilisation and Association Agreements (SAA).

The EU-Turkey accession process is also very complex and based on the 1963 Ankara association agreement that paved the way to the Customs Union and then to the launching of the accession negotiations.

Turkey

The long and winding road of the still potential accession of Turkey (Lannon, 2005) to the EU cannot be summarised in just a few lines. However, in terms of economic integration, this case study is relevant for the current analysis as the EU-Turkey Customs Union is quite unique.[13] In fact, only three countries currently benefit from a Customs Union with

8 European Commission, *2014 Progress Report on Bosnia and Herzegovina,* October 2014, http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-bosnia-and-herzegovina-progress-report_en.pdf

9 See Financial Times, "Wave of Kosovan migration sparks unease in European capitals", 25 February 2015, http://www.ft.com/cms/s/0/108a8d7a-b90e-11e4-b8e6-00144feab7de.html#axzz3SllZQGVW

10 European Commission, Summary of findings of the 2014 Progress Report on Serbia, Annex to COM(2014)700 final of 8.10.2014, October 2014, http://ec.europa.eu/enlargement/pdf/key_documents/2014/20140108-serbia-progress-report_en.pdf

11 European Commission, Communication: "Enlargement Strategy and Main Challenges 2014-15", Conclusions and recommendations on the former Yugoslav Republic of Macedonia, October 2014, http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-the-former-yugoslav-republic-of-macedonia-progress-report_en.pdf

12 European Commission, Communication: "Enlargement Strategy and Main Challenges 2014-15", Conclusions and recommendations on Albania, October 2014, http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-albania-progress-report_en.pdf

13 Decision No 1/95 of the EC Turkey Association Council of 22 December 1995 on implementing the final phase of the Customs Union (96/142/EC).

the EU: Andorra, San Marino and Turkey. Among these, only Turkey is a candidate for EU accession.

Turkey is also a key component of the Euro-Mediterranean Free Trade Area.[14] One should mention in this regard that Turkey concluded a number of Free Trade Agreements, notably with EFTA, Israel, FYROM, Croatia, Bosnia and Herzegovina, Tunisia, Morocco, the Palestinian Authority, Syria, Egypt, Georgia, Albania, Montenegro, Serbia, Chile, Jordan and Lebanon. More recently, a "Framework Agreement Establishing a Free Trade Area between the Republic of Turkey and The Republic of Korea" and an "Agreement on Trade in Goods between the Republic of Turkey and The Republic of Korea" entered into force on 1 May 2013.[15] In other words, in terms of regional economic integration in the EU's neighbourhood and beyond, Turkey is clearly a key actor. This is one of the positive "side effects" of the Customs Union.

It is also interesting to come back to the main stages of the (economic) integration:

- The 1963 Ankara Agreement planned three stages for the integration (a preparatory stage, a transitional stage and a final stage), the completion of the Customs Union being planned at the end of the transitional stage: 1995);
- The candidate status was given to Turkey at the Helsinki Summit on 10-11 December 1999;
- Accession negotiations were launched in "2005, but until Turkey agrees to apply the Additional Protocol of the Ankara Association Agreement to Cyprus, eight negotiation chapters will not be opened and no chapter will be provisionally closed;"[16]
- In October 2011 a "Positive Agenda" was adopted for which Working Groups were established on 8 chapters ("3-Right of Establishment and Freedom to Provide Services", "6-Company Law", "10-Information Society and Media", "18-Statistics", "23-Judiciary and Fundamental Rights", "24-Justice, Freedom and Security", "28-Consumer and Health Protection" and "32-Financial Control").[17]

In other words, Turkey is still going through a deep comprehensive political and economic transformation process that goes far beyond economic integration to include fundamental constitutional amendments, judiciary reform packages, and so on, as foreseen in any pre-accession strategy but, in this case, reinforced at economic and trade levels by the existing Customs Union.

EEA and EFTA: "deep economic integration" without accession

Deep economic integration with the EU is also possible without full accession. This is the case of the European Economic Area, which is sometimes perceived as being a sort

14 Turkey is a founder of the Euro-Mediterranean Partnership but is not included in the ENP.

15 See: Turkish MFA, http://www.mfa.gov.tr/relations-between-turkey-and-the-republic-of-korea.en.mfa

16 European Commission, http://ec.europa.eu/enlargement/countries/detailed-country-information/turkey/index_en.htm [last visited 1 March 2015].

17 Turkish MFA: http://www.mfa.gov.tr/

of club for European countries that could but do not want to join the EU. One should nevertheless remember that Romano Prodi, when he was president of the European Commission in 2002, referred to the European Economic Area as a potential model for the economic integration dimension of the European Neighbourhood Policy.

The European Economic Area (EEA)

EEA is the abbreviation of the European Economic Area. It was originally an agreement between the European Community and its Member States and 5 EFTA countries (not including Switzerland), which was signed in May 1992, entering into force in January 1994.[18] Of the initial 5, Sweden, Finland and Austria dropped out upon entering the EU in 1995. Today, membership of the EEA is made up by Norway, Iceland and Liechtenstein (which signed later on, when Switzerland decided not to join the EEA; see later). The EEA agreement offers almost equal access to the European Single Market for EFTA countries that when it was signed had opted for non-inclusion as full EU Member Countries. It extends the EU's "Four Freedoms" (movement of people, capital, goods and services), leading to the elimination of NTBs between all EEA members and mutual recognition of norms and standards, full cumulation of origin rules and common rules on competition.

There is no participation of EFTA countries in the EU's Customs Union, its Common Trade Policy, its Common Agricultural Policy, in EMU and in the CFSP. EFTA country members of the EEA have to accept the *acquis communautaire* of the EC (company law, consumer protection, and so on). Being a Free Trade Area, rules of origin continue to apply in trade between the EU and the three EFTA members of the EEA. The latter are required to cooperate on "flanking and horizontal policies" and are financially obliged to contribute to the EC-cohesion funds. The institutional mechanism consists of participation of EFTANs in "decision-shaping", not in the "decision-making"; i.e. the EU keeps its decision-making autonomy, but in case of a required adjustment of the *acquis,* EFTAN's opinion is to be considered. There are four common institutions: the Joint Committee, the EEA Council, the Joint Parliamentary Committee and Consultative Committee dispute settlement mechanism.

The European Free Trade Area (EFTA): the "à la carte" agreements between the EU and Switzerland

Switzerland, an important EU economic partner, remains to this day the only member of the original EFTA that is not part of the Enlarged Single Market (i.e. the EEA). The "cornerstone of EU-Swiss relations is the free trade agreement of 1972" but, in fact, relations are based on more than 120 bilateral sectoral agreements.[19] Two specific "à la

18 Decision of the Council and the Commission of 13 December 1993 on the conclusion of the Agreement on the European Economic Area between the European Communities, their Member States and the Republic of Austria, the Republic of Finland, the Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway, the Kingdom of Sweden and the Swiss Confederation, OJ L 1, 3.1.1994, p. 1.

19 European Commission, MEMO: "EU-Swiss relations", Brussels, 10 February 2014, http://europa.eu/rapid/press-release_MEMO-14-100_en.htm

carte" agreements between the EU and Switzerland have also been concluded after long negotiations, including provisions on different economic items, each of them particularly important to one of the two partners (e.g. free movement of people for the EU) leading to a "package". The most important original feature is the "guillotine clause" whereby failure by one of the parties to observe one of the items leads to the suspension of all the other provisions in the "package". More specifically, the first package is the so-called "bilateral agreements I" signed on 21 June 1999, a package of seven agreements; the second, so-called "bilateral agreements II" was signed on 26 October 2004, a package of 10 agreements.

While the guillotine clause has not been officially invoked by the EU, the latter decided to suspend temporarily application of some agreements with Switzerland, after the Swiss people decided by referendum on 9 February 2014 to question the agreement dealing with free movement of people between both parties in the first package mentioned above.

EU Promotion of Regional Economic Integration in the Mediterranean

Apart from the pre-accession strategy, it is thus possible to foster regional integration by concluding Free Trade Agreements or Customs Unions in conformity with article XXIV of the GATT. A new intermediary form of economic integration, the so-called Deep and Comprehensive Free Trade Area, is also now foreseen for Morocco, Tunisia, Egypt and Jordan, while those with Moldova and Ukraine have been concluded in the form of new Association Agreements including Deep and Comprehensive Free Trade Areas (AA-DCFTA). The still incomplete Euromed FTA also includes the bilateral EU-Turkey Customs Union in the network of Euro-Mediterranean Regional Trade Agreements (RTAs). Turkey has already concluded or will conclude FTAs with all other MPCs benefitting from an EMAA. However, the end-game is different today and symbolised by the still potential creation of a Neighbourhood Economic Community (NEC).

The Euro-Mediterranean Partnership and the Euromed FTA

The foundations of the Euro-Mediterranean Partnership (EMP) were laid down in Barcelona in November 1995 during the well-known Barcelona Conference, which brought together the foreign ministers of the EU Member States and of Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria, Tunisia, Turkey and the President of the Palestinian Authority. The second basket of the Declaration, the "Economic and Financial Partnership", put forward three long-term objectives:

i) acceleration of the pace of socio-economic development ;
ii) reduction in the development gap in the EuroMediterranean region;
iii) promotion of regional cooperation and integration.

Three main areas of cooperation and more specific objectives were also defined to implement those long-term objectives:

i) the progressive establishment of a free trade area;
ii) the implementation of appropriate economic cooperation and concerted action in the relevant areas;
iii) a substantial increase in the European Union's financial assistance to its partners.

The aim was to create an area of "shared prosperity", notably by establishing a Euro-Mediterranean Free Trade Area by 2010 (target date). According to the Barcelona Declaration, this FTA "will cover most trade with due observance of the obligations resulting from the WTO." In order to achieve this goal, FTAs were to be concluded between the EU and its Partners and also between the Mediterranean Partners themselves ("horizontal" or South-South integration including Turkey). The third dimension was the conclusion of FTAs between the MPCs and the Central and Eastern European Countries (CEECs at that time candidate countries) and EFTA countries. At that moment of time it was all about creating one of the world's most important trading entities capable of facing the competition of an emerging Free Trade Area of the Americas (FTAA), which, incidentally, never came about. These Euromed FTAs were essentially covering industrial goods, but negotiations have been launched since to expand their agricultural and fisheries coverage through the adoption of sectoral agreements.

Obviously, the 2010 target date has not been reached because of delays linked to the complexity of a system that aims to progressively create vast Euro-Mediterranean integration but also due to the numerous (geo-)political crises that have occurred since 1995. However, new bilateral sectoral agreements, notably on agricultural products, scientific and technical cooperation, liberalisation of air transport and "Conformity Assessment and Acceptance of Industrial Products", have extended the scope of the original Association Agreements.

Future DCFTAs: Morocco, Tunisia, Egypt and Jordan

It is the June 2011 EU Council that invited the European Commission to "submit recommendations for negotiating directives for DCFTAs with selected southern

Mediterranean partners" as part of a "greater support to partners engaged in building deep and sustainable democracy."[20] The mandate adopted applies to four Mediterranean partners, namely: Morocco, Jordan, Egypt and Tunisia. They are all members of the Agadir Process and are perceived, by the EU, as having implemented sufficient political and economic reforms to accede to this next step of deeper economic integration with the EU. Three of them have also concluded an "advanced" or "preferential" status with the EU (Morocco, Jordan and Tunisia).

This new generation of "deep and comprehensive free trade agreements" will go beyond the current shadow integration of the association agreements as:

- The "comprehensive" dimension refers indirectly to the "substantially all trade" criteria contained in article XXIV of the GATT: i.e. that an FTA must cover substantially all trade and thus cannot exclude major sectors from the liberalisation process, such as agricultural products or services, in order to be in conformity with the multilateral rules;
- "Deep" means to "go beyond free trade in goods and services" to include "behind the border" issues addressing Non-Tariff Measures (NTMs) and achieving "comprehensive convergence in trade and regulatory areas."[21]

What is also important to understand is that the EU Council has authorised the Commission to "open negotiations individually with Egypt, Jordan, Morocco and Tunisia with a view to establish deep and Comprehensive Free Trade Areas (DCFTA) as part of Euro-Mediterranean Association Agreements."[22] EMAAs will in fact continue to be "upgraded" alongside other initiatives included or not in the ENP framework.

In fact, the EMAAs already include the main elements and legal structures for developing DCFTAs as one of their main objectives is to "establish the conditions for the gradual liberalisation of trade in goods, services and capital." This constitutes a sufficient legal basis for the Association Councils to adopt legally binding decisions on these matters. This process is to be completed with normative convergence and legislative alignment on the basis of the priorities identified in the ENP action plans.

The long-term objective of the Neighbourhood Economic Community (NEC)

In 2006, the European Commission in a Communication entitled "Strengthening the European Neighbourhood Policy"[23] stressed that "over time, the implementation of the ENP Action Plans, particularly on regulatory areas, will prepare the ground for the conclusion of

20 Council conclusions on "the European Neighbourhood Policy", 3101st Foreign Affairs Council meeting Luxembourg, 20 June 2011, point 3.

21 Such as technical norms and standards, sanitary and phytosanitary rules, competition policy, enterprise competitiveness, innovation and industrial policy, research cooperation, intellectual property rights, company law, public procurement and financial services…

22 "Recommendation from the Commission to the Council authorising the Commission to open negotiations with Egypt, Jordan, Morocco and Tunisia to upgrade the respective Euro-Mediterranean Association Agreements with a view to establish Deep and Comprehensive Free Trade Areas", SEC(2011) 1191 final/2., part B, 14 October 2011.

23 European Commission Communication "Strengthening the European Neighbourhood Policy", Brussels, 4 December 2006, COM(2006)726 final, http://ec.europa.eu/world/enp/pdf/com06_726_fr.pdf

a new generation of DCFTAs with "all ENP partners." If these DCFTAs are "tailored and sequenced carefully to take account of each partner country's economic circumstances and state of development, including a certain level of asymmetry if appropriate" (…) the long-term vision is that of an "economic community emerging between the EU and its ENP partners." This NEC would include "such points as the application of shared regulatory frameworks and improved market access for goods and services among ENP partners, and some appropriate institutional arrangement such as dispute settlement mechanisms."

Of course, the DCFTAs will be more than regular FTAs but less than fully-fledged Customs Unions. A deeper reflection centred on the "economic model" foreseen (i.e. the Neighbourhood Economic Community [NEC]) is therefore to be promoted by the EU and its partners.

The EU's Support to Sub-Regional Integration in the Mediterranean

Despite the EU's efforts to support sub-regional integration among Arab Mediterranean Countries through the Arab Maghreb Union and later the Agadir Process (see also in this study the EU-GCC case study in a comparative perspective) it is well known that intra-regional trade is still very limited among the Arab Mediterranean Countries.

In December 2012, the European Commission and the High Representative published a Joint Communication entitled "Supporting Closer Cooperation and Regional Integration in the Maghreb: Algeria, Libya, Mauritania, Morocco and Tunisia"[24] in order to set out ways in which the EU might "support closer cooperation between the countries of the Maghreb, drawing on its own extensive experience of integration and given its interest in the region as a neighbour and key partner for the five countries concerned."

The basic idea is to use the existing framework for cooperation, such as:

- The Union for the Mediterranean (UfM) that "can use its flexibility in order to promote sub-regional cooperation projects in favour of the Maghreb countries";
- The so-called "5+5" initiative that is "valuable because it establishes cooperation between the countries concerned on the basis of shared interests and common objectives whose achievement can be supported by the EU in some cases;"
- The initiative of the "pays du champ" (Algeria, Mali, Mauritania, Niger), "aimed at addressing the Sahara-Sahel dimension together with the EU Strategy for the Sahel also provides frameworks for close collaboration with the Maghreb."

24 European Commission and High Representative Joint Communication: "Supporting Closer Cooperation and Regional Integration in the Maghreb: Algeria, Libya, Mauritania, Morocco and Tunisia", Brussels, 17.12.2012, JOIN(2012) 36 final.

A specific chapter has been introduced in order to "build on existing trade relations between the EU and the Maghreb countries." In this respect, several actions are envisaged:

i) "further support the development of regional production links by exploiting, and raising awareness of the possibilities for cumulation of origin amongst the members of the Pan-Euro-Mediterranean Zone in addition to the promotion of expected new rules adapted to exporters;"
ii) "continue the provision of support and technical expertise to accompany trade and economic integration processes in the framework of the Arab Maghreb Union and the Agadir Agreement;"
iii) "support initiatives among Maghreb partners to raise awareness of trade and investment conditions, for instance through the Euro-Mediterranean Trade and Investment Facility Mechanism, to reduce non-tariff barriers to trade, and to improve and upgrade customs procedures and facilities in order to foster intraregional trade;"
iv) "facilitate trade in industrial products by finalising preparations for the start of negotiations of an Agreement on Conformity Assessment and Acceptance (ACAA) with each of the Maghreb countries;"
v) "enhance cooperation with the Maghreb business community in order to allow business better to convey its interests and concerns as regards trade and investment initiatives in the region. The establishment of an EU Maghreb business forum could be a first step in this regard."

For this last element, the Asia-Europe Business Forum (*see infra*) experience could be taken into consideration. What is clear is that, apart from this aspect and the reference to the initiative of the "pays du champ", not much is new in this joint communication. The idea is rather to use the existing policy frameworks to foster sub-regional economic integration.

EU Asia

If there is one area in which the European Union continues to attract attention worldwide, it is in terms of its experience of economic integration and its ability to bring a continent together in the common pursuit of prosperity and development. It is from this perspective of economic integration as a basis for peace and security that the EU promotes integration experiences in other parts of the world. One specific mechanism in this regard is the promotion of free trade agreements (FTA), given that such agreements not only

lead to liberalisation of trade flows, thereby opening additional markets for European goods and services but, in the view of its proponents, also significantly influence and enhance integration efforts within specific regions. In this context, the assertion being made here, however, is that integration at home on the European continent is the more significant driver for integration efforts elsewhere rather than the instrument of the FTA. This can be seen both in the examples of the Gulf region and with regard to the EU's approach to Asia.

The EU and the Gulf Cooperation Council

Relations between the Member States of the EU and those of the Gulf Cooperation Council (GCC) have been termed "an economic inevitability and a regional necessity" (Al-Mekaimi, 2007). The conclusion of an FTA was to be an integral part of that relationship. Yet over 20 years have passed since the first official statement of intention to bring about such an FTA and the two sides have failed to take the negotiations forward to a successful conclusion. In 2008, the GCC suspended negotiations, a situation that persists to this day.

The inability to fulfil one of the main objectives of the EU-GCC Cooperation Agreement of 1988 leads to some key questions. What are the factors that have prevented the two sides from coming to an agreement and what does this suggest for the overall EU policy of promoting and impacting regional integration, both in the Gulf region and elsewhere? Given that more than six years have passed since negotiations were in effect stopped, is the EU important and relevant when it comes to regional economic integration processes among the GCC states? It is particularly this second aspect that is important to consider, given that the GCC's economic integration process so far has been very much modelled on that of the EU in terms of, for example, a Customs Union, common market, and potential currency union.

The failure to bring FTA negotiations to fruition can be attributed to several reasons. For one, the proposed agreement was and remains a complicated one, the first multilateral-to-multilateral agreement of its kind pursued by the two sides. For the EU, as the world's most important trading bloc, there has always been a tendency to refuse potential exceptions to the rule in the agreement, given that other partners that the EU was negotiating with could demand similar treatment. For the GCC, meanwhile, the negotiations represented the first experience of its kind and therefore there was a great deal of hesitation in agreeing to EU proposals simply because the bloc felt overpowered by the EU's technical knowledge and capabilities when it came to such agreements.

That being said, over time a series of complaints began to come from the GCC states about the EU continuing to raise the bar and imposing more and more conditions on the

GCC in order to bring about the FTA. While initially it was mentioned that the GCC would have to establish a Customs Union as a prerequisite for negotiations over an FTA, once the GCC took such a step, additional requirements were put forward. André Sapir, an economic adviser to the EU, for example, stated that: "A customs union would not alone be enough for the two blocks to sign a trade agreement and that the expectation is to have a customs union and for Saudi Arabia become a member of the World Trade Organization." Yet as soon as the individual GCC Member States fulfilled these requirements, further items were introduced. Ultimately, the GCC side felt that the EU was not taking them seriously.

There was also the notion that the EU was not in any particular hurry to actually finish the negotiations. As time passed, the swift conclusion of the FTA received less attention as issues such as EU enlargement and internal issues, including the crisis in the Eurozone, began to dominate the agenda. In this context, the FTA negotiations have always suffered from the fact that there has been no internal champion in the EU to push forward the need to conclude the negotiations over the resistance of other more reluctant members.

The issue of the non-FTA also became symptomatic of the broader difficulties in EU-GCC relations. For one, the EU and the GCC are not the functional equivalent of one another; in fact, institutionally the two organisations are quite different. While in the EU, the European Commission has the sole authority to conclude trade agreements, in the GCC such authority remains the prerogative of the individual Member States. The negotiations have been complicated by the fact that the EU has approached the GCC as if it is similar to the EU and vice-versa. The autonomy vs. inter-governmental character dichotomy of the relationship has so far not been resolved.

Finally, there is also a prevalence of bilateralism over multilateralism within the EU, meaning that individual EU Member States are unwilling to forego their business relations and contracts with the GCC states in exchange for a broader, more multilateral approach that would provide for greater trade liberalisation. It is such factors that have played a significant role rather than the often cited false notion that the issue of human rights has been fundamentally to blame for the failure of the FTA talks. In fact, the much referred to human rights clause was resolved and agreed upon in the early part of the negotiations.[25]

Despite the fact that an FTA between the EU and the GCC has not come about, the economic relationship between the two sides and the economic integration process in the Gulf have witnessed significant progress. In 2013, the overall trade balance between

25 This has been confirmed through talks held by the author with both EU and GCC officials on numerous occasions.

the EU and the GCC stood at €151 billion, representing a 50 percent increase from the year 2010, when it stood at €100 billion.[26] Overall, the EU has remained the most important trading partner for the GCC while the latter has stayed the fifth most important trading partner for the EU. It is in this context that some have argued that an FTA is actually not necessary given the continued progress that is being achieved in economic ties.

Similarly, the GCC has seen its own economic integration process advance with most implemented steps being modelled on EU experiences. While the prospect of a currency union remains a distant prospect, issues such as free movement of capital and labour within the GCC, common investment laws, an increasingly functional Customs Union, and regional infrastructure projects, such as an electricity grid, have been implemented. The GCC is well on its way toward establishing a common market and in this regard continues to look to Europe for guidance and support. Many of these issues are, in fact, discussed in the EU-GCC Joint Economic Committee that meets on a regular basis.

FTA negotiation with Asia

While the focus here is not specifically on the EU's trade relations with Asia, it should be noted that both the EU and the GCC have also pursued trade negotiations with key Asian nations. In fact, both the EU and the GCC have successfully concluded FTAs with Singapore. The EU also has an FTA in place with South Korea while the GCC has one with New Zealand.

For the GCC, the pursuit of FTA negotiations with Asian countries is a reflection of the rising importance of Asia for the bloc. Overall trade volumes began to surpass those with the EU in the early 2000s, and since then the gap has widened further with GCC-Asia trade reaching approximately €571 billion or two-thirds of the total trade volume in 2013, while that of the EU has decreased to about 25 percent (although in real numbers the trade volume with the EU increased to €151 billion in 2013) (Pradhan, 2014).

Significantly, the GCC negotiations with Asian countries have followed a similar path to that of the EU in that they have not produced many agreements. For the GCC, most of the activity in terms of negotiations actually took place between 2006 and 2009, and little progress has occurred since then. With Japan, two negotiation sessions and four working group meetings took place from 2006 until 2009 covering areas such as trade in goods and services, customs procedures, rules of origin, as well as dispute settlement mechanisms. With China, negotiations were held from 2004 until 2009 but there is no record of progress after that period. South Korea and the GCC reached a consensus on the need for a Korea-GCC FTA during President Lee Myung bak's visit to the Middle

26 European Commission, Directorate-General for Trade, "European Union: Trade in Goods with GCC", available at http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113482.pdf [last visited: November 28, 2014].

East in March 2007. Three rounds of negotiations were held until 2009 and none since. For India, a first framework agreement on Economic Cooperation between India and the GCC was signed on 25 August 2004, which extended and liberalised trade relations and also initiated discussions on the feasibility of an FTA between these two sides. While two rounds of negotiations were held in 2006 and 2008, a third round did not take place. It was a similar case to Australia.[27]

For the EU, the situation has been a little more critical given the fact that it has begun to lose its position as the largest trading partner with key Asian nations to China, a trend which shows no sign of reversal. The hope that successful FTA negotiations would give new impetus to the EU's position in Asia has also not materialised as most trade talks remain inconclusive. Instead, there has been a spurt in intra-regional trade among Asian countries with a potential Free Trade Area of the Asia-Pacific now a possibility (Khandekar, 2013).

After being caught up in the wave of trade liberalisation in the early 2000s, the GCC decided in early 2009 to defer its negotiations with all countries and economic groups to undertake a widespread review of the numerous negotiations that were ongoing. By this stage, only the negotiations with Singapore and the European Free Trade Area (EFTA) had actually been finished. The review was in part a response to the failure of the Western economies to adequately deal with the global financial crisis in 2008 through implementing proper forms of financial regulation and oversight in the immediate aftermath of the crisis. For the GCC, this meant asking whether the FTA terms were still in their favour, whether the GCC still needed such agreements, and what their clear advantages actually were. The lack of robust trade arrangements between the GCC and its major trading partners has been cited as a key factor behind the bloc's overall "trade vulnerability" (Pradhan, 2014). Yet, this has not dampened the trade volumes with all trade partners, which have continued to increase significantly. It was only in March 2014 that the GCC Ministerial Council approved the resumption of FTA negotiations; however, it made no announcement on when negotiations would restart and with which countries.

EU Regional Economic Cooperation in the Mediterranean and in Asia

In terms of EU cooperation, 2014 is an important year as this is the first year of the new Multi-annual Financial Framework period (MFF 2014-2020). The current EU programming has been prepared only for the first years (2014-17) of the 2014-20 MFF to allow a mid-term review to adapt potentially EU support to the evolving situation in each country and region.

27 In the Australia case, FTA negotiations were initially started on a bilateral level with the UAE before moving to the GCC level. Overall, there have been four rounds of GCC-Australia FTA negotiations, with the last one held in June 2009. Negotiations focused on services, investment, intellectual property, government procurement, competition policy, rules of origin as well as legal and institutional issues.

The European Neighbourhood Policy Cooperation Framework

The new European Neighbourhood Instrument (ENI) provides a total financial envelope of €15.4 billion for the period 2014-2020 to the 16 partner countries covered by the European Neighbourhood Policy (ENP).[28]

Apart from the bilateral tracks of cooperation, three multilateral components are of special interest for promoting economic integration.

The "Regional South" programme

This programme was originally created on the basis of the multilateral cooperation programme of the Euro-Mediterranean Partnership that was integrated in 2007 in the ENPI cooperation framework. The indicative allocation for the period 2014-2017 is "between €371,000,000-€453,000,000 and the four priority sectors of intervention are the following:

- Building a partnership for liberty, democracy and security (indicative 20%)
- Building a partnership for inclusive and sustainable economic development (indicative 20%)
- Building a partnership between the people (indicative 25%)
- Support regional and sub-regional institutional cooperation (indicative 15%)."[29]

The European "Neighbourhood-wide" programme

This programme was introduced in 2007 as the "Interregional programme" (Lannon, 2012). The indicative financial allocation for the period 2014-2017 of this renamed "Neighbourhood-wide programme" is "between €1,675,000,000 to €1,876,000,000 of which €770,000,000 is for specific support ("Umbrella programmes") for countries progressing further towards deep and sustainable democracy and implementing agreed reforms contributing to that goal." The other three priority sectors are:

- Building a partnership for inclusive and sustainable economic development and integration (indicative 55%), notably support to the Neighbourhood Investment Facility;
- Building a partnership between people: Erasmus+ in the Neighbourhood and Russia (indicative 40%);
- Building capacity for European Neighbourhood countries (indicative 5%).[30]

Cross-border cooperation

The cross-border cooperation programme (CBC) was also introduced in 2007 in the

28 Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument.

29 European Commission Press Release: "The Commission sets out cooperation priorities for the Eastern and the Southern Neighbourhood for coming years", Brussels, 8 September 2014, http://europa.eu/rapid/press-release_IP-14-977_en.htm

30 European Commission Press Release: "The Commission sets out cooperation priorities for the Eastern and the Southern Neighbourhood for coming years", Brussels, 8 September 2014, http://europa.eu/rapid/press-release_IP-14-977_en.htm

ENPI and has been continued for the period 2014-20, albeit with important amendments given the technical problems encountered during the first phase.

One of the specificities of this programme is that it draws "on funds from both the external and internal headings of the EU budget, for the pursuit of CBC activities serving both sides of the EU's external border." For 2014-20, the "three overarching strategic objectives of CBC" are:

- "promote economic and social development in regions on both sides of common borders;
- address common challenges in environment, public health, safety and security;
- promotion of better conditions and modalities for ensuring the mobility of persons, goods and capital."[31] The indicative financial allocation for 2014-17 is €306,211,021.

The importance of these three multilateral programmes is obvious in terms of providing support to the transitions of the Mediterranean Partner Countries. One should also stress that the bilateral envelopes "present in general three priority sectors. Each sector of concentration will encompass sector-related capacity development and institution building activities, including technical cooperation, to support in particular approximation to EU legislation and technical standards."[32]
Apart from financial cooperation that can foster regional cooperation and dialogue, several key sectoral issues also have to be taken into consideration.

Key Sectoral Issues Related to Economic Integration in the Mediterranean

Three key sectoral issues are of strategic importance for promoting regional integration and cooperation: the rules of origin, the open skies agreements and the Agreements on Conformity Assessment and Acceptance of Industrial Products.

Rules of origin (cumulation)

Rules of origin allow for tariff-free trade in an FTA only of products originating or deemed to be originating (i.e. sufficiently transformed, which is the main criterion used in the case of the EU) within the territory of each trade partner recognised by all the signatories as being part of the FTA. If there is no agreement on the definition of the territory concerned, it is the definition of the importing country that prevails as it is that country that confers origin. Cumulation of origin refers to a redefinition of the area within which the products exported must be originating from, so as to include inputs bought by firms from the partner's importing country or from several FTA partners of the importing partner (in practice the EU) at the same time. Instead of calling this "cumulation of origin" it would

31 EEAS, Programming document 2014-20 ENI Cross Border Cooperation - Summary, http://eeas.europa.eu/enp/pdf/financing-the-enp/cbc_2014-2020_summary_programming_document_en.pdf
32 http://europa.eu/rapid/press-release_IP-14-977_en.htm

be more appropriate to speak of "cumulation of value added for the purpose of defining origin." It allows among others (see diagonal cumulation below) for the multilateralisation of the EU's network of bilateral agreements with countries of a given sub-region. It should help stimulate trade in intermediary products among the EU's neighbours of the sub-region in question. A distinction must be made between different kinds of cumulation.

At one extreme, there is Full Cumulation, the one provided for in the EEA agreement. Firms can process goods where they want in the EEA and they are always recognised as EEA products benefitting from tariff-free access in the EU or in Norway/Iceland/Liechtenstein.

At the other extreme there is Bilateral Cumulation. For instance, in the case of the Euro-Med agreements of the Barcelona Process, Bilateral Cumulation is always possible. The Mediterranean partner firm can use EU-originating materials in goods produced for the EU market, in which case the usual test of "sufficient transformation of non-originating materials" to declare the good as originating in the Mediterranean country is not necessary, provided the processing in the Mediterranean country is more than symbolic.

Pan-European Cumulation goes one step further, since here the Mediterranean partner's firm can buy from another Mediterranean partner of the EU with which the latter also has a bilateral FTA agreement an input, transform it minimally (and not the usual hard-to-achieve "sufficient transformation of non-originating materials") and export the processed output to the EU duty free. The difference between this sort of cumulation (called also Diagonal Cumulation) and the Full Cumulation of the EEA sort is that in the latter processes can be cumulated. In Diagonal Cumulation, transformation in one Mediterranean Partner Country must be coupled with purchase of originating materials in another Mediterranean Partner Country but not with another process of transformation in this second Mediterranean Partner Country.

The Open Sky Agreement of the EU with Morocco, Jordan and Israel

The official name given to this type of document is "Euro-Mediterranean Aviation Agreement between the European Union and its Member States, of the one part, and the government of ……. of the other part." The document is normally ratified by the European side after many rounds of negotiations. In the case of the agreement with Israel, it took four years.

The aviation agreements provide for an unlimited duration and almost without exception for so-called third- and fourth-freedom rights regarding air transport between the Mediterranean Partner Country and the 28 EU Member States. That means granting to

each side's air transport carriers an unlimited number of flights, without capacity restrictions, between points in the territory of the Mediterranean partner within its EU-recognised borders and any point in the territory of the EU-28. This is always scheduled to happen after a transitory period after the entry into force of the agreement on a progressive basis; meaning that the number of flights, frequencies and routes is being expanded progressively until full freedom in those numbers is achieved. It means total free competition between the Mediterranean partner and EU-based air companies, including low-cost ones.

This is, economically-speaking, very significant as the EU accounts for the highest percent of international air travel from the Mediterranean partner. Normally, there are air travel connections between the Mediterranean partner and the 28 EU Member States but that clearly can change with the advent of the agreement. Fifth freedom rights are not included, namely the right, for example of an EU carrier, such as Lufthansa, to transport from a third state (for instance, Italy) passengers that are bound for the Mediterranean partner.

However the right of, for example, Lufthansa, having a Frankfurt-Athens-the Mediterranean partner route and taking passengers from Greece to the latter, is also granted. That also holds, of course, for the Mediterranean country's carrier. But not only that, as intermediate points can include Swiss and EEA states that are not members of the EU. Of course, what is called in the jargon "cabotage" is excluded, namely the right for a EU or Mediterranean partner carrier to operate domestic air routes in the latter or in an EU Member State. Observe that both parties recognise in the respective agreements the benefits of regulatory convergence, i.e. meaning basically the Mediterranean country towards the EU (namely adjusting to the *acquis*). They also subsume the agreement in the context of the Barcelona Process (hence the reference in the title to a "Euro-Mediterranean" agreement), wishing to contribute to the creation of a real Euro-Mediterranean aviation area.

Subsidies by the Mediterranean partner or the EU of their own air carriers are forbidden, with the exception of those that are security-related. Regarding the territorial scope of the agreement, as far as the EU is concerned it is worthwhile mentioning that the agreement excludes the airport of Gibraltar, because of the on-going conflict between Spain and the UK. To prevent one side unduly rejecting the application made by an air carrier of the other side to operate a new route, there is mutual recognition of regulatory determination regarding the air carrier fitness and nationality with some minor exceptions (e.g. passenger security). In other words, if the EU states that Ryanair is a company fit to fly passengers and cargo, the Mediterranean partner cannot say that this is not the case and that Ryanair shall be excluded from Mediterranean airspace.

According to most experts in trade and tourism, the agreements are likely to result in reduced prices of passenger and cargo air transport from and to the Mediterranean partner as well as improved quality of service, to say nothing of the much increased choice of companies and frequencies that the consumers (including firms) face.

Whereas economists rightly expected the existing national air carriers (such as Royal Air Maroc, El Al, Royal Jordanian) exporting services to shed manpower and adjust to increased competition from EU-based carriers, the agreements have increased or are likely to increase the number of European air carriers deserving airports in the Mediterranean Partner Country and also operating from new airports not currently connected to airports in the EU. For instance, the aviation agreement recently signed between Israel and the EU is likely to lead to the opening of scheduled international routes from an airport in the north of the country, which could later specialise in developing traffic in the direction of short-leg tourist destinations such as Cyprus and Greece. With the agreement, nothing prevents low-cost European carriers from setting up in these two countries to operate from airports other than BG, close to the centre of the country.

The Agreements on Conformity Assessment and Acceptance of Industrial Products
Finally, Agreements on Conformity Assessment and Acceptance of industrial products (ACAAs) are framework agreements that recognise third country industrial standards as equivalent to European standards. The implication is that products can be marketed without delay or further inspection (in parallel to similar marketing of European products in the third country). ACAAs are a specific type of mutual recognition agreement based on the alignment of the legislative system and infrastructure of the country concerned with those of the European Union.

EU Support to Asian Regional Economic Integration Initiatives: the ASEAN

As stated in the "Guidelines on the EU's Foreign and Security Policy in East Asia", adopted by the EU Council in June 2012:

> "Regional economic cooperation initiatives such as free trade agreements (FTAs) concluded among East Asian countries could also significantly impact on EU interests (…). To ensure a level playing field, the EU should further expand its network of bilateral FTAs with individual South-East Asian countries (…), bearing in mind the goal of a bi-regional EU-ASEAN FTA. The EU has also recently decided to explore actively with Japan the possibility of launching FTA negotiations, while an FTA with Korea has now entered provisionally into force. The EU should also continue to support relevant regional economic

integration initiatives such as the ASEAN Economic Community, and reinforce its regional cooperation activities."[33]

The ASEAN, established in 1967 in Bangkok, is obviously becoming a major partner of the EU in the region. One of the reasons is that after the conclusion of a Framework Agreement on Enhancing Economic Cooperation in Singapore in 1992, which included the launching of a scheme toward an ASEAN Free Trade Area (or AFTA), the ASEAN leaders concluded, in October 2003, a new Treaty: the "Bali Concord II" calling for the creation of an ASEAN Community by the year 2020.

If EU-ASEAN cooperation is not new, it has been deepened prior to the entry into force of the ASEAN Charter in December 2008. The first EU ASEAN summit was, for instance, held in Singapore on 22 November 2007; and on 23 April 2007 the EU Council authorised the Commission to start negotiating an FTA with ASEAN. However, in 2009, because of difficulties on the multilateral track, it was decided to negotiate bilateral FTAs, starting with Singapore. Final negotiations for a Free Trade Agreement between Singapore and the EU were completed in December 2012. At the same time, the EU has not lost sight of its end goal of achieving an agreement within a regional framework.

The Bandar Seri Bagawan Plan of action to strengthen the ASEAN–EU enhanced Partnership (2013-2017) was adopted to respond to the "decision of Foreign Ministers at the 18th ASEAN-EU Ministerial Meeting in Madrid, on 26 May 2010" and aims to "bring cooperation to a higher level, through addressing regional and global challenges of shared concern over the coming five years (2013-2017)"[34] (Bagawan, 2013). This plan of action is of interest for the current analysis as it was decided, in the field of economic cooperation, to implement the ASEAN Regional Integration Support Programme by the EU (ARISE).[35] This was considered as a "key instrument for supporting ASEAN integration with its specific focus on strengthening the overall process of ASEAN economic integration and assisting progress towards achieving the free flow of goods within ASEAN through enhanced trade facilitation measures and progress towards removing non-trade barriers, as well as strengthening the capacity of the ASEAN Secretariat to support AEC implementation and integration."

Frameworks for Dialogue at (Sub-) Regional Level

The frameworks for dialogue at (sub-) regional level is the third element to be briefly mentioned here as a key element for regional economic integration. For instance, the

33 EU Council Guidelines on the EU's Foreign and Security Policy in East Asia adopted by the EU Council in June 2012, http://eeas.europa.eu/asia/docs/guidelines_eu_foreign_sec_pol_east_asia_en.pdf

34 Bandar Seri Bagawan Plan of Action to Strengthen the ASEAN–EU Enhanced Partnership (2013-2017), http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/129884.pdf [last visited 9 March 2015].

35 See: http://arise.asean.org

Union for the Mediterranean (UfM) and its Secretariat is now playing an increasing role in fostering regional dialogue and cooperation in the Mediterranean. The 5+5 initiative is somewhat more specific, not only because of its sub-regional dimension, whereas the Euro-Arab track has only quite recently been reactivated and is more centred on political issues. Finally, in the Asia-Europe Meeting (ASEM) an informal multilateral dialogue process will be analysed in a comparative perspective.

The Union for the Mediterranean

Needless to say, the genesis of the Union of the Mediterranean was quite epic. Once partly "communitised" through the "Barcelona Process: Union for the Mediterranean"[36] framework and once the previous system of co-presidencies was amended according to the Lisbon Treaty, things started to improve. With a new Secretary General and a new mandate that includes the management of the Euromed sectoral ministerial meetings[37] things have been considerably improved. As underlined by the European Commission in March 2014, "after a lapse of several years, UfM ministerial meetings resumed. Three were held in autumn (on strengthening the role of women in society in September, transport in November, and energy in December)."[38]

More recently, a Ministerial conference was organised with so-called Digital Economy Ministers and representatives of ministries. This is undoubtedly good news as the ministerial meetings are the arenas where the multilateral projects are actually proposed.

As the core of the work of the UfM Secretariat remains the project-based approach, identifying clear priorities has become increasingly important as more and more projects are currently being labelled by the UfM Secretariat.[39]

The "5+5" Initiative

The French initiative establishing the "5+5" dialogue focuses on the western basin of the Mediterranean and includes the five countries of the Arab Maghreb Union, and five EU Member countries from the south of the Mediterranean: France, Italy, Spain, Portugal and Malta. The aim of this initiative is to tackle issues such as economic partnership, development and security in the region, the regulation of migration and the suppression of non-legitimate immigration. It has been mentioned a number of times that the "5+5" initiative was quite complementary to other broader initiatives and useful as it is an informal framework. It is, however, limited to the Western Mediterranean.

36 Communication from the Commission to the European Parliament and the Council of 20 May 2008 on the "Barcelona Process: Union for the Mediterranean", COM (2008) 319 final.

37 European Commission and High Representative Joint Communication on "Delivering a New European Neighbourhood Policy", Brussels, 15 May 2012, JOIN(2012) 14 final.

38 European Commission High Representative Implementation of the European Neighbourhood Policy in 2013 Regional Report: A Partnership for Democracy and Shared Prosperity with the Southern Mediterranean Partners, SWD(2014) 100 final, Brussels, 27.3.2014.

39 See: http://ufmsecretariat.org/

EU-Arab League

If the Euro-Arab dialogue dates back to the 1970s, the EU-Arab league (or League of Arab States-LAS) track has been reactivated by a series of initiatives but mostly at political–strategic level.[40] However, the Declaration adopted at the third European Union-League of Arab States Foreign Affairs Ministerial Meeting held in Greece, in June 2014 included a chapter on "socio-economic cooperation", referring notably to the following issues:

- "steps towards the implementation of the regional programme Economic and Political Empowerment of Women in partnership with LAS, EU and UN Women");
- the need to "reinforce institutional cooperation between business community, trade unions, chambers of commerce and other relevant civil society organizations;"
- the importance of "regional energy cooperation to ensure secure and sustainable energy supply through joint international investment in that area, in accordance with their respective interest, in order to promote social and economic development and contribute to a transition to a low carbon and energy efficiency;"
- The "importance of cooperation on climate change and environment;"
- The "importance of migration, mobility and employment for the development of countries of both parties;"
- The Ministers also "welcomed the ongoing work through the framework of the Union for the Mediterranean (UfM) under the leadership of the co-presidency, which contributes to the socio-economic development of southern Mediterranean countries."[41]

An obvious proposal would be at least to launch a common reflection on macroeconomic and investment issues in the Mediterranean region.

The Asia-Europe Meeting

The Asia-Europe Meeting (ASEM) is an informal dialogue process initiated in 1996 including the now 28 Member States of the EU, together with sixteen Asian countries (Brunei, Burma/Myanmar, China, Cambodia, India, Indonesia, Japan, Mongolia, South Korea, Malaysia, Laos, Pakistan, the Philippines, Singapore, Thailand, and Vietnam).

40 For example, on 13 November 2012, EU High Representative Catherine Ashton inaugurated with the League of Arab States (LAS) Secretary-General Nabil El Araby a partly EU-funded Crisis Room in the LAS headquarters in Cairo in order to create a capacity within the LAS to perform an effective crisis-related early warning system, http://eeas.europa.eu/crisis-response/where-we-work/arab-league/index_en.htm. More recently, in January 2015, the EU High Representative Federica Mogherini met with the Secretary General of the League of Arab States (LAS), Dr. Nabil El Araby, in Brussels and "discussed the current situation in the Arab world, focusing on Libya, Iraq, Syria, the Middle East Peace Process and notably the terrorist threat posed by Da'esh in Syria and Iraq." On this occasion, a "Memorandum of Understanding furthering cooperation between the EEAS and the LAS" was also signed. A press release following the meeting between the High Representative and Vice President Federica Mogherini and the Secretary General of the League of Arab States (LAS), Dr. Nabil El Araby, Brussels, 19/01/2015, 150119_03_en, http://eeas.europa.eu/statements-eeas/2015/150119_03_en.htm.

41 Declaration adopted at the third European Union–League of Arab States Foreign Affairs Ministerial Meeting Athens, Greece, 10-11 June 2014.

The ASEM process is of special interest to this analysis given:

i) its coverage in terms of number of participants and the fact that it is an informal and open forum to discuss any political, economic and social issues of common interest (from the management of migratory flows to reducing barriers to trade and investment, including a reinforced dialogue on issues relating to the WTO);
ii) the fact it provides a platform for meetings at a high level (heads of state or government, ministers and senior officials), and with an increasing focus on fostering people-to-people contacts in all sectors of society;
iii) The fact that at the 4th ASEM Foreign Ministers' Meeting of 6-7 June 2002 held in Madrid a chair statement on the Middle East Peace Process was adopted. This was followed by 6th ASEM Foreign Minister's meeting held in Kildare on 17 April 2004 that adopted the "ASEM Declaration on Multilateralism", where the "need to ensure increased coordination on multilateral issues" was emphasised.[42]

It is thus no surprise that in June 2011, during the tenth ASEM Foreign Minister's Meeting held in Hungary, the meeting chair statement included a specific point (74) regarding the "political developments in countries of North Africa and the Middle East." The Ministers "took note of the political developments" and "underlined respect for the courage of those people with a desire for peace and stability who struggle for freedom, dignity and democracy aiming at improving conditions of human rights in their societies as well as better economic opportunities and political perspectives" and "encouraged the approaches on establishing a partnership for democracy and shared prosperity. The ministers supported the EU's efforts to cooperate with the Union's Southern Neighbourhood on migration by establishing a partnership for democracy and shared prosperity."[43]

In other words, it is not the first time the ASEM has taken into consideration those issues.[44] Political convergence is of importance and in this respect the ASEAN-EU Enhanced Partnership (2013-2017) can offer an interesting platform.

Indonesia is also of specific interest given its recent transition history and, of course, given the fact that it is the largest Muslim country in the world. An article published during summer 2013 by Paul J. Carnegie on the topic "Can an Indonesian Model Work in the Middle East?" concluded that "if the Indonesian example teaches anything, it is that moderate Islam and democratic development are not incompatible bedfellows" (Carnegie, 2013).

42 http://www.aseminfoboard.org/asem-thematic-dedarations.html
43 The 10th ASEM Foreign Ministers Meeting Chairs Statement, Gödöllo - Hungary, 6-7 June 2011 "Working together on non-traditional security challenges", http://www.aseminfoboard.org/ministerial-statements.html
44 Chair's Statement of the 9th ASEM Summit, 5-6 November 2012, Vientiane, Lao PDR, http://www.aseminfoboard.org /summit-statement.html "Middle East and North Africa".

This kind of approach should be promoted and, at an academic level, such comparative analysis going beyond the traditional frameworks should be explored. For instance, interesting initiatives like the Trans-Eurasia Information Network (TEIN), the first large-scale research and education network connecting regional researchers in Asia and Europe, the Asia Europe People's Forum; or the Asia-Europe Business Forum (held every two years alongside ASEM Summits) should be taken into consideration.

Conclusion

It is no secret that until today the best way the EEC and later the EU have been able to facilitate, influence, model and substantiate deep economic and political reforms in countries in its close geographical vicinity has been by inviting those countries to become full EU Members States, endowed both with rights and obligations, akin to those of incumbent members. Experts are divided between those who say that full accession is the only way to promote deep economic integration and those who state that membership *per se* is a matter of identity. However, membership is not an option for most of the present non-EU members in its vicinity. Thus, other forms of deep economic integration have to be taken into consideration.

For instance, today, the most common exercise of integration between Europe and the Middle East is that taking the form of regional trade agreements. Trade integration is not just an economic exercise, but also a geostrategic one. In principle, the European Union understands the complexity of the reality in the Middle East, a region that is rich in oil and other natural resources, but lacks stability and is overrun with conflicts. From that standpoint, the European Union sees multilateral trade liberalisation and regional economic integration as the best way of enhancing the economic welfare of people in the Middle East, which consequently will help stem extremism and promote liberal political and economic reforms in the region.

The Mediterranean reality is complex. Despite a shared past and some cultural affinities, most countries around the Mediterranean differ dramatically with each other on their system of governance, level of economic development and commitment to regional integration. While the northern shore enjoys strengthened political and economic integration, deep divisions characterise the relations of southern states. Democratic and rich, the north contrasts with the poverty and political turmoil of the south. The southern region is also plagued by a lack of infrastructure, a poorly-educated workforce and high unemployment. International and internal migration, terrorism, money laundering, organised crime, environmental degradation and human trafficking are but a few of the problems of the region.

These political, social and structural impediments go a long way towards explaining the low level of economic and cultural integration amongst the European and Mediterranean countries. The lack of a unifying political vision and the large economic and political differences between different parts of the Mediterranean region further contributed to this Mediterranean exception. As a result, the Mediterranean today appears as a region without regionalism, which has little potential or political weight of its own.

But still, despite these serious obstacles to closer regional cooperation, recent developments suggest renewed support for regional integration between Europe and the Mediterranean. The idea of a Euro-Mediterranean Partnership started to take shape only in 1992, when European Union countries, represented by France, Italy and Spain, issued a document called the "Mediterranean Renovated Policy", which included many aspects of financial cooperation and support for the structural reforms of the southern Mediterranean, and the start of a policy of openness and reform economies.

Association agreements including FTAs have since been concluded with most of the Euromed partners and the European Neighbourhood Policy has added the perspective of "deep and comprehensive" FTAs for some of them in the framework of the 2011 ENP revision.

Looking at both the GCC and Asia, it can be said that rather than the EU's pursuit of FTAs as a means to help stabilise the partner countries' economies or political systems, it is the EU's own integration process and its respective strength and health that serves as the inspiration for other regions to follow the EU model and try to implement integration strategies themselves.

FTAs are largely seen as individual initiatives through which the EU can play out its tremendous trade advantage and they have done little to foster regional integration efforts. It also remains a fact that an integration model such as the EU cannot simply be transferred to another region, as in each regional case local and unique factors are at play that are different from the European experience. In this context, the best policy for the EU to pursue is to keep its own house in order as this will ensure that the European model remains alive.

Policy-Oriented Proposals

1. Promote trans-regional research programmes on EU-Mediterranean-Asia relations: including expected impact of the creation on new (DC)FTAs between the three regions;

2. Promote comparative analysis going beyond the traditional Euromed and EU-Asia frameworks of cooperation.
3. Analyse initiatives like the Trans-Eurasia Information Network (TEIN), the Asia Europe People's Forum, and the Asia-Europe Business Forum for Euro-Mediterranean cooperation;
4. Organise common EU-Mediterranean-Asia trade conferences so that Asian countries can also benefit from the experience of the Mediterranean countries in implementing AA including (DC)FTAs or a Customs Union with the EU;
5. Launch an EU-LAS common reflection on macroeconomic and investment issues in the Mediterranean region;
6. Promote research on the economic models (NEC) and the nature of the new DCFTAs;
7. Develop cross-framework programme initiatives like the link made between the "pays du champ" initiative and the EU Sahel Strategy;
8. Draw on the now very long experience of the successful 2006 Open Sky Agreement between the EU and Morocco to explore the feasibility of having such agreements signed between the EU and all Mediterranean and Middle Eastern neighbours, other than with Israel and Jordan, with which they have been signed;
9. Contemplate extending the concept of sectoral agreements between the EU and Mediterranean and Middle Eastern countries to additional sectors, building on their non-controversial technocratic and functional character with many short-term benefits coming along and helping to strengthen civil societies around the Mediterranean.

List of abbreviations and acronyms

AA	Association Agreement
AA-DCFTA	Association Agreements including Deep and Comprehensive Free Trade Areas
AMU	Arab Maghreb Union
CFSP	Common Foreign and Security Policy
CU	Customs Union
DCFTA	Deep and Comprehensive Free Trade Area
EEA	European Economic Area
EEC	European Economic Community
EFTA	European Free Trade Association
EMAA	Euro-Mediterranean Association Agreement
EMP	Euro-Mediterranean Partnership
ENI	European Neighbourhood Instrument
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
EU	European Union
FDI	Foreign Direct Investments
FTA	Free Trade Agreement
FYROM	former Yugoslav Republic of Macedonia
GAFTA	Greater Arab Free Trade Area
GCC	Gulf Cooperation Council
GNP	Gross National Product
MENA	Middle East and North Africa
MFF	Multi-annual Financial Framework
MPCs	Mediterranean Partner Countries
NEC	Neighbourhood Economic Community
RTA	Regional Trade Agreements
SPMME	Strategic Partnership with the Mediterranean and the Middle East
TEU	Treaty on European Union
UfM	Union for the Mediterranean
UK	United Kingdom
UN	United Nations
WTO	World Trade Organization

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SSN
STRATEGIC STUDIES NETWORK

The Strategic Studies Network (SSN), established in 2005, is an initiative of the Near East South Asia (NESA) Center for Strategic Studies. The SSN is a partnership of over seventy institutions drawn primarily from the Middle East, Central Asia, South Asia and Europe, dedicated to the interdisciplinary study of politics, natural resources, economics, diplomacy, and military power.

In order to help develop regional solutions to regional problems, the goal of the SSN is to facilitate policy-relevant research and frank and informed dialogue among strategic studies centres on security challenges facing the region.

EuroMeSCo

Comprising 100 institutes from 32 European and South Mediterranean countries, the EuroMeSCo (Euro-Mediterranean Study Commission) network was created in 1996 for the joint and coordinated strengthening of research and debate on politics and security in the Mediterranean. These were considered essential aspects for the achievement of the objectives of the Euro-Mediterranean Partnership.

EuroMeSCo aims to be a leading forum for the study of Euro-Mediterranean affairs, functioning as a source of analytical expertise. The objectives of the network are to become an instrument for its members to facilitate exchanges, joint initiatives and research activities; to consolidate its influence in policy-making and Euro-Mediterranean policies; and to disseminate the research activities of its institutes amongst specialists on Euro-Mediterranean relations, governments and international organisations.

The EuroMeSCo work plan includes a research programme with three publication lines (EuroMeSCo Papers, EuroMeSCo Briefs and EuroMeSCo Reports), as well as a series of seminars and workshops on the changing political dynamics of the Mediterranean region. It also includes the organisation of an annual conference and the development of web-based resources to disseminate the work of its institutes and stimulate debate on Euro-Mediterranean affairs.

IEMed.

The European Institute of the Mediterranean (IEMed), founded in 1989, is a consortium comprising the Government of Catalonia, the Spanish Ministry of Foreign Affairs and Cooperation and Barcelona City Council. It incorporates civil society through its Board of Trustees and its Advisory Council formed by Mediterranean universities, companies, organisations and personalities of renowned prestige.

In accordance with the principles of the Euro-Mediterranean Partnership's Barcelona Process, and today with the objectives of the Union for the Mediterranean the aim of the IEMed is to foster actions and projects which contribute to mutual understanding, exchange and cooperation between the different Mediterranean countries, societies and cultures as well as to promote the progressive construction of a space of peace and stability, shared prosperity and dialogue between cultures and civilisations in the Mediterranean.

Adopting a clear role as a think tank specialised in Mediterranean relations based on a multidisciplinary and networking approach, the IEMed encourages analysis, understanding and cooperation through the organisation of seminars, research projects, debates, conferences and publications, in addition to a broad cultural programme.