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EUROMED+15: NEW PATHS OF COOPERATION ACROSS THE MEDITERRANEAN

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NEW PATHS OF COOPERATION ACROSS THE MEDITERRANEAN

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SUMMARY

On the occasion of the 15th anniversary of the Barcelona Declaration, the EuroMeSCo network and the European Institute of the Mediterranean (IEMed) have jointly organised the 2010 Annual EuroMeSCo Conference in Barcelona. This volume contains the edited speeches delivered at the conference, in which distinguished experts and practitioners were convened to debate the future of Euro-Mediterranean politics in the light of the on-going institutional changes within the European Union and the new geopolitical context.

The framework established by the Barcelona Process is now divided into two different strands: the bilateral track represented by the European Neighbourhood Policy (ENP) and the new multilateral forum of the Union for the Mediterranean (UfM). These have so far followed different trajectories and

while the ENP, despite the unsatisfactory results, is a project in motion, the UfM has yet to take off. The European Union now has the opportunity to achieve more coherence and effectiveness in its Mediterranean policy in the wake of the adoption of the Treaty of Lisbon, but new geopolitical challenges lie ahead. New actors have started to play a role in the region, opening the way for either a more cooperative environment or for the clash of conflicting interests.

In this panorama of opportunities and constraints, the UfM has yet to find its own identity and purpose. To overcome the obstacles posed by a number of still unresolved regional conflicts, the UfM is striving to recast its role as a "Union of Projects", promoting a pragmatic approach focused on pivotal sectors and the building of infrastructure.

PRESENTATION

A VITAL TIME FOR THE MEDITERRANEAN

Senén Florensa. Director General of the European Institute of the Mediterranean (IEMed), Spain

I would like to warmly welcome you to Barcelona and to this Annual EuroMeSCo Conference. We are truly very happy to have you here at Pedralbes Palace and in the city of Barcelona which, for almost fifteen years now, has been the symbol of Euro-Mediterranean cooperation and is now set to become the seat of the Secretariat of the Union for the Mediterranean (UfM). Our number includes friends who have been present since the very start of the Euro-Mediterranean Partnership. They are all seasoned experts in all the positive steps taken around the Mediterranean. We are now trying to renew the attitudes and projects that made the long path of Euro-Mediterranean relations possible.

The Euro-Mediterranean Process, once called the Barcelona Process but which has now moved on to a new stage thanks to the UfM's new ambitions, has reached a turning point. However, we will continue with our projects and under the aegis of the fortunate definition established by the founders of the Euro-Mediterranean Partnership in 1995, to build an area of peace and stability, of shared economic progress and of dialogue between the peoples and cultures around the Mediterranean. When confronted with comments regarding a possible crisis in Euro-Mediterranean affairs, I always respond that it is untrue. Now is an important time when history will be made. We can make a difference, as we have been doing since 1995.

One of the Process's important achievements is the development of bilateral relations following the

1995 Barcelona Declaration and the bilateral treaties signed subsequently. Even countries that were initially reticent have now joined those who moved forward far more swiftly because they were keen to take part in the Euro-Mediterranean Partnership. Things are therefore working very well with those countries that want to participate. Unfortunately, other countries are more hesitant and have chosen to stand on the sidelines.

The area of bilateral relations was further strengthened by the action plans and programmes set up under a joint agreement with the governments of each country within the framework of the European Neighbourhood Policy. These programmes comprise 95% of the resources granted by the European institutions for Euro-Mediterranean projects. All of these funds are devoted by the countries themselves to the reform projects being conducted, which are working and bearing significant fruit for the countries that wish to implement this policy.

However, the Euro-Mediterranean partners must now strengthen the multilateral area with the UfM. In this regard, when criticism is levied, I would also respond that you speak of failure but you disregard the very important fact that in Brussels, on 12th November 2010, the Committee of Senior Officials approved the Action Plan, Activities Programme and budget for the Secretariat of the UfM. The organisation has already begun its activities in Barcelona, where the Secretary General is in charge and the Deputy Secretaries General are already in place.

The forming and development of Euro-Mediterranean relations is both a difficult task and an ambitious project. Perhaps it is overambitious. The region has now gained increased visibility and its political impact has grown, making success more difficult. But we should not forget the other side of the coin: the things that are working. This means that we can move forward and make the Partnership work, even at the multilateral level, and support the work of the Secretariat of the UfM.

In this new phase with the Union for the Mediterranean, the Partnership is something we have to build and there is great work to be done by the EuroMeSCo network

It is by happy coincidence, or perhaps not such a coincidence, that the EuroMeSCo network's meetings are being held at Pedralbes Palace, the headquarters of the Secretariat of the UfM. In this new phase with the UfM, the Partnership is something which we have to build, but it enjoys many assets, there are many opportunities and there is great work to be done by the EuroMeSCo network and its member bodies. EuroMeSCo has been the guardian of a great tradition since 1995 and it must make its voice heard, despite having been critical of Euro-Mediterranean policy. In keeping with the best traditions of EuroMeSCo, we are going to forge ahead with our task. That is why the IEMed is delighted with the agreement reached with Mr Roberto Aliboni, EuroMeSCo coordinator, to

hold this meeting here in Barcelona. EuroMeSCo is a rotating system and, therefore, I would like to thank it for all of the work it has done for the network, and also for achieving the agreement to hold this meeting here in Barcelona.

We are also pleased by the presence of the network's researchers and institutional representatives, who we hope will listen to what we have to say. However, in order to be heard properly, we have to do important and valid work. As a network, we are willing to continue our vital task of giving a voice to research bodies, and to assist this grand Euro-Mediterranean project, especially at this time of change.

I would like to extend a special welcome to Mr Andreu Bassols, on behalf of the European Commission, and Mr Habib Ben Yahia, the Secretary General of the Arab Maghreb Union, who has taken the time to be with us from the very start of our work, rather than just at the end. I would like to welcome Mr Juan González-Barba, Head of the Directorate General for the Mediterranean, Maghreb and Middle East at the Spanish Ministry of Foreign Affairs. Mr González-Barba is our key man in this area at the Spanish Ministry and, given that the Secretary of State could not come, I asked him to join us as the direct Head of Spain's Mediterranean policy.

I would like to warmly welcome the Euromed ambassadors, including Mr Risto Veltheim, Coordinator of Mediterranean Affairs at the Finnish Ministry of Foreign Affairs, Mr Youssef Amrani, Secretary General of the Moroccan Ministry, and the Spanish Ambassador Mr José Riera, who are with us today, and the Deputy Secretaries General of the UfM.

NEW EXCHANGES OF IDEAS: THE ANNUAL EUROMESCO CONFERENCE

Roberto Aliboni. Istituto Affari Internazionali, Italy

The Annual EuroMeSCo Conference is usually the network's opportunity to discuss the most relevant issues taking place within the framework of relations between the European Union, the Mediterranean and the Middle East region. This year, the issues chosen are both geopolitical and institutional in nature. Four sessions will be dedicated to discussing and examining first the institutional framework currently emerging for Euro-Mediterranean relations, including the Union for the Mediterranean (UfM), among others. Over the last two years, with the UfM, the Euro-Mediterranean framework has become multi-centric. The revival of the Group 5+5, for example, has brought new factors to this framework. At the same time, the European Commission is reworking its perspective as part of a neighbourhood architecture that aims to take into account the differences between the Euro-Mediterranean neighbourhood on the one hand, and the Eastern European neighbourhood on the other.

The conference's second theme is the Common Foreign and Security Policy (CFSP). Strengthening the CFSP is an essential factor for the future of Euro-Mediterranean relations and the European

Union's relations with the Middle East. The UfM's experience makes clear that if the EU does not develop a stronger foreign policy it will be difficult for it to overcome the obstacles that have confronted the UfM to date. Thus, the potential strengthening of this policy is a general theme of great importance in the current context.

The third session will tackle a more general area covering the geopolitical changes that have hit the Mediterranean and Middle East. Nowadays, it is no longer as easy as it was to say where the Mediterranean ends and where the Middle East begins. All that occurred in the Middle East during the Bush presidency, and all that is still ongoing, shows that these two regions have become more compact. For that reason, it is an issue that has to be analysed to understand how the UfM, and Euro-Mediterranean relations in general, are going to be reshaped to adapt to this change.

Finally, the conference will address the UfM's well-known projects. A panel of economists will examine how these projects are to be developed and how they fit in with the general context of Euro-Mediterranean economic progress.

THE EURO-MEDITERRANEAN PROCESS: A SUCCESS STORY

Andreu Bassols. European Commission – Union for the Mediterranean

Since 1995, the Euro-Mediterranean Partnership – be it the Barcelona Process or the Union for the Mediterranean (UfM) – has achieved considerable results. In 1996, one year after the Barcelona Conference, the first round of association agreements were signed and, as early as 1998, the first association agreement came into force with Tunisia. From that year onwards, the Euro-Mediterranean free trade area was gradually established. This is an extraordinary achievement as the North-South free trade areas are usually heavily criticised. Despite a certain level of scepticism, all of the southern countries have achieved gradual economic integration into the Euro-Mediterranean area.

The Partnership also agreed the Euro-Mediterranean Charter for Enterprise and has increased the level of liberalisation for agricultural products. Moreover, a new common origin protocol was agreed and now enables cooperation between all of the countries. Equally, we created a series of networks, such as the EuroMeSCo network, which is a demonstration of the Partnership's work, but also the FEMISE (Euro-Mediterranean Forum of Economic Institutes), the Mediterranean Water Network, the Energy Forum and the Transport Forum. Moreover, several institutions were set up before the creation of the Secretariat of the UfM. These include some remarkable institutions, such as the Anna Lindh Foundation, the Euromed Parliamentary Assembly (EMPA), the Euro-Mediterranean Regional and Local Assembly (ARLEM) and the Facility for Euro-Mediterranean

Investment and Partnership (FEMIP), part of the European Investment Bank. At the same time, a number of programmes have been run, many of which have been very successful. For example, Euromed Heritage, Invest in Med, Euromed Youth and Euromed Market are programmes that have managed to create true cooperation networks in the Mediterranean region.

At the institutional level, for the first time ever, joint conclusions were reached by the Ministers for Foreign Affairs at the 2005 Barcelona Summit. Three years later, in 2008, the Paris Summit established the UfM and, in parallel, launched the European Neighbourhood Policy, which is a bilateral cooperation framework between the European Union and all of its neighbouring countries. This initiative has allowed programmes and action plans to be agreed with our Mediterranean neighbours, some of which have reached advanced status.

In economic terms, an objective analysis of the situation in the region has revealed that significant progress has been made. In particular, we have seen remarkable macroeconomic stabilisation, a profound economic transition in most of the countries concerned, and, for the first time ever, convergence in the real economies between the North and South. In fact, since the year 2004-2005, we have witnessed real convergence, as the economies of the nations of North Africa and the Middle East moved closer to Europe in terms of GDP per capita. This convergence is of great importance as it is the Partnership's first

economic fruit. Investment has also increased significantly and most of the economies in the region have become heavily internationalised. Invest in Med, and ANIMA Investment Network before it, bore witness to this increased investment in the region. Finally, the signing of the Agadir Agreement by four countries wishing to complement, North-South, the Euro-Mediterranean Economic Partnership is a new phase on this path of cooperation.

We have to make a committed effort to communicate with economic and political actors so they know that this Partnership is worthwhile

All of these elements are clear examples of specific achievements by a Partnership that has been difficult, that has sometimes suffered from a poor image, but which has yielded considerable objective results. We have to continue with this work and make a committed effort to communicate with economic and political actors so they know that this Partnership is worthwhile, despite the conflict in the Middle East, despite certain differences, despite certain people's eternal pessimism regarding this region.

Important issues are at stake and we must work together for the future. First, the political process has to be relaunched because the situation remains difficult. The last summit's report makes that clear. Conse-

quently, the institutions created by the Paris Summit and confirmed by the 2008 Marseilles Ministerial Summit must be fully operational. In this regard, the biannual summits, the Co-Presidency and the Secretariat are the UfM's new institutions that require consolidation.

In the economic field, completing the large Euro-Mediterranean free trade area, with 750 million citizens, and continuing with economic convergence are our fundamental objectives. To achieve those objectives, we must work to protect and expand investments, to liberalise services and agriculture throughout the countries in the Mediterranean region and to promote private-public partnerships between the countries in the region. Equally, creating a true connection between the two regions, the North and South, is vital: infrastructure and transport, telecommunications and energy connections. Furthermore, energy is an important field of work, such as promoting solar power.

It is also essential to focus on a certain number of key sectors in Euro-Mediterranean cooperation, sectors that are fundamental to most actors or countries. Those sectors are: mobility, higher education and cultural dialogue. In the latter area, the Anna Lindh Foundation carries out remarkable work.

All of these elements are fundamental to making this region a reality. In this regard, EuroMeSCo's work analysing the region politically is an important contribution towards this collective effort to establish networks, dialogue and cooperation in our regions.

EUROMESCO AND THE ANALYSIS OF THE RESPONSIBILITIES OF THE UNION FOR THE MEDITERRANEAN

Juan González-Barba. Director of Foreign Policy for the Mediterranean, the Maghreb and the Middle East, Ministry of Foreign Affairs and Cooperation, Spain

I would like to make three points as part of my speech in my capacity as representative of the Ministry of Foreign Affairs and Cooperation. First of all, a thought about the IEMed: we are proud of this institution in which, as you may know, the Ministry of Foreign Affairs takes part as a member of its Governing Board. We believe that it is the leading think tank and the standard bearer of the creation of ideas and research on Euro-Mediterranean affairs in Spain, whose prestige and sense of purpose have improved with the wise guidance of Senén Florensa over the last four years. It was certainly not easy, but you have done, and continue to do, a great job.

Secondly, it is important for us that these events are carried out within the framework of cooperation between the IEMed and EuroMeSCo. The strategic and political analysis of Mediterranean affairs is an indispensable source of guidance for scholars and practitioners alike and should indeed be an integral part of Euro-Mediterranean cooperation. Just to mention one example of its valuable contribution, on the occasion of the 10th anniversary of the Barcelona Process, EuroMeSCo presented a paper which for the first time included a suggestion to brand as a "Union" the activities that we were already carrying out, and I am immensely glad that this definition has now come to acquire an official status.

Finally, my third thought brings me to refer to the fact that this event should have represented the threshold of the Union for the Mediterranean (UfM) summit that, much to my regret, has been postponed. As a result of this, I think that we all have an increased shared burden on our shoulders and that the ideas and the exchange of analysis that will come out of our meeting will be of great importance to all of us, and in particular to the concerned officials (and I can confirm that those working in foreign affairs in Spain are certainly going to read the proceedings of this conference very carefully). I personally believe that the choice of subjects is very appropriate, because it is beyond doubt that we are in the middle of a "triple change process." Firstly, within the EU, which still has to find its bearings after the coming into force of the Treaty of Lisbon. Secondly, within Euro-Mediterranean cooperation and its new framework, the UfM, which not only is still in its infancy but has also gone through some ups and downs over the last few months. Nonetheless, we are all very confident that the UfM has a very bright future ahead. Finally, in the last fifteen years new challenges have appeared for us all in the wider region, and we have the responsibility to face them together, cooperating within the framework of the UfM.

**THE EMERGING
EUROMED
INSTITUTIONAL
FRAMEWORK:
HOW IS IT WORKING?
HOW CAN IT BE
IMPROVED?**

THE UNION FOR THE MEDITERRANEAN: A NEW OPPORTUNITY TO CREATE SYNERGIES AROUND THE MEDITERRANEAN

Youssef Amrani. Secretary General, Ministry of Foreign Affairs and Cooperation, Morocco

The Union for the Mediterranean (UfM) is a new institution within the Euro-Mediterranean set-up and an opportunity to renew relations between the North and the South. In this regard, there are five important observations for the UfM's present and future. The first is that, even though the UfM has gone through political turbulence, it has not faced a systemic crisis threatening its existence. The second is that, despite the fact that the Middle East conflict remains the true test for the Euro-Mediterranean Partnership, it need not remain an indefinite stumbling block to all regional cooperation. Third, the UfM is a partnership of equals and, in that regard, both sides, northern and southern countries, have a direct responsibility to make it a success. Fourth, the UfM is now sufficiently equipped to form the basis for more effective Euro-Mediterranean governance, and to renew that governance in order to take better advantage of the achievements of the Barcelona Process and to create synergies with enhanced cooperation using variable geometry. Finally, the Euro-Mediterranean Partnership's future depends on the ability of all its members, from both the North and South, to understand and assume this new equality, as a choice entered into freely, implemented as per the spirit of the Paris Conference, and requiring commitment, responsibility and solidarity.

These observations may contradict rather widely held opinions based on the hypothesis of the impending end of the UfM. Paradoxically, the UfM's survival as an actor is not in danger. The experience gained in

the field of Euro-Mediterranean relations since 1995 from different initiatives such as Barcelona+ 10, and now Barcelona+ 15, shows that the complications to be tackled are normal as the UfM is a living organisation. At the same time, it is the only forum where Arabs, Israelis, Europeans and others can discuss issues around the same table.

The UfM is therefore an intrinsic added value. The UfM does not merely complete the Barcelona Process; it has taken over from it, taking it further than ever before to a point of no return. Firstly, this is thanks to its unique character, innovative in its operation and realistic in its ambitions. The UfM is perceived by the southern countries as a platform designed for the planning, coordination and impetus of specific projects.

Secondly, the UfM's architecture is based on new principles in the region: the principles of equality, co-presidency and co-decision that may encourage collective ownership of the process. Moreover, the UfM is based on a governance system never before seen in the history of Euro-Mediterranean relations because it includes the political area. This area poses certain problems, but the Euro-Mediterranean region cannot overlook political issues. In any event, the UfM, and of course the Barcelona Process, were not conceived to solve differences of opinion. They were conceived as a shared forum for dialogue and exchange among the partners. However, at the same time, it can be an extremely important instrument to improve a climate of peace.

Finally, the UfM's rooting in the political reality in the field is remarkable. A large number of actors, MPs, civil societies, think tanks and networks are involved and this may generate significant contacts. Consequently, and despite criticism, none of these elements is worrisome. On the contrary, at no time has the UfM been challenged either by the Member States or the civil societies.

The Union for the Mediterranean is sufficiently equipped to form the basis for more effective Euro-Mediterranean governance

The UfM has completed the architecture of Euro-Mediterranean relations and, now, a combination of approaches has been implemented in this set-up. Under the auspices of the European Neighbourhood Policy (ENP), many southern countries have established bilateral relations with Europe, in particular Morocco, with its advanced status, but also Tunisia and Algeria. The ENP is based on the concept of differentiation, but that does not imply contradictory goals; on the contrary, working on a regional approach while also working on a bilateral approach is possible and is the expression of self-differentiation in this corollary. Thus, for countries such as Morocco, the UfM is a new chance at regional cooperation, while for the European Union it is an opportunity to reaffirm its commitment to the Mediterranean. In this regard, the Mediterranean must retain its strategic coherence, which must once again become an ENP priority. Having said that, from 2003-2004 onwards, and more markedly so since 2006, within the ENP we have observed an eastward drift. The countries of the South have nothing against this, but they do not

want to see any change to the financial distribution formula of two thirds to one third. The ENP was initially formed based on this principle and the financial perspectives up to 2013 confirm it.

In comparison to the partners' political will, the differences among them are noteworthy. Certain partners are far more integrated than others. As regards the Maghreb, the nations of the region have their own work to do. The construction of the Maghreb region is a popular aspiration and a project that benefits all involved. It represents an economic opportunity, but it is also a necessity from a security and international relations point of view. In this regard, the UfM is a framework that can encourage the creation of this sort of synergy within the Maghreb. If responsibility is shared equally, that is less the case with capacity. To put it plainly, Europe has a particular responsibility as regards the Mediterranean and the Euro-Mediterranean Partnership as the European Union's place in the world is particularly based on its ability to bring together and rally its surroundings. Equally, the South's place is beside a Europe that brings it together.

In conclusion, appraising the UfM after two years in existence, and only one year of effective operation, would not do justice to its pertinence or potential. The UfM is moving slowly but surely given the complex political circumstances. The UfM's future development will depend on its ability to harness willingness, and to enable those who wish to be involved more to work within a coherent framework. To achieve this, we must continue with political dialogue and evolve stage by stage towards a true Euro-Mediterranean alliance in the strategic sense, in order to meet the challenges of peace, security and development. For countries such as Morocco, the Mediterranean is part of its history and identity, but also a stage in a shared future.

THE INSTITUTIONAL FRAMEWORK OF THE UNION FOR THE MEDITERRANEAN: ANALYSIS AND SUGGESTIONS

Timo Behr. Research Fellow at the Finnish Institute
of International Affairs, Finland

In a rather unusual fashion, the following considerations on the future of the Euro-Mediterranean Partnership (Euromed) are formulated from the vantage point of a northern European perspective. The focus of my contribution will be directed at some of the problems with the current institutional structure of the Euromed Process, and the Union for the Mediterranean (UfM) in particular, as well as on potential ways of improving that framework. As a final remark, I will also add some comments on the relationship between the UfM and the European Neighbourhood Policy (ENP). How is the current institutional framework working? Without wanting to sound too pessimistic, I think that the short answer is that, at least for the moment, it is not performing well. Replacing the Commission-centred institutional framework supporting the ENP with the state-centred architecture of the UfM was always going to be a great challenge, as it had already been stressed by those many voices warning about the negative impact of this sort of intergovernmental structure. There is a number of challenges associated with the set-up of a new institutional structure which has attracted most of the comments and that relates to external factors, i.e., the problematic Middle East peace process, responsible for the derailment of the UfM, and, of course, the institutional confusion gripping the EU following the adoption of the Treaty of Lisbon.

As a consequence of this situation, the jury is still out on the UfM and it would be premature to pass

a final judgement. It is therefore a difficult task to make sense of the performance of an institutional framework combining the ENP and the UfM when it is still unclear what its final shape will be. However, it is possible, after two years, to draw up an initial balance sheet of the process, and I want to do so considering the main improvements the UfM was meant to bring about in the Euromed Process. Looking at the Paris Declaration, I think that these improvements can be summarised in the following four: first, greater equality, in terms of a more equitable and balanced partnership; second, greater co-ownership of the process, especially among the southern Member States; third, greater efficiency through more private funding and a more targeted and pragmatic approach; and, last but not least, greater visibility through high-level meetings, common actions, and so on. In my opinion, these were meant to be the main selling points of the new institutional structure, on which I will now turn my focus and make an attempt at evaluating the results achieved so far. To do so amounts to giving an answer to the following question: two years on, how has the UfM fared when it comes to equality, ownership, efficiency and visibility?

In broad terms, the impression is that the results have so far been somewhat mixed. When it comes to equality and balance, it is of course true that the process has become less Eurocentric. Commission-controlled inputs in Euromed have somewhat decreased but it is far from clear that this more

restrained role has resulted in a more equitable relationship per se. Overall, there has been some lack of transparency in consultations on the part of the two co-presidents, little interest manifested by policy-brokers throughout the process, and with the Commission harshly side-lined and the Secretariat still very much under construction until very recently, there has simply not been a guide of a common Mediterranean interest, however you might define it. Moreover, the Secretariat has become more a political rather than a technocratic institution, and it will probably remain a semi-fledged institution unless it turns into a whole functioning body. As a result, the UfM has so far relied on the former leadership of Spain, France and Egypt, and while there was perhaps no other choice under the current circumstances, it is highly questionable that this situation contributes to the desired objective of equality and balance. The latter may therefore be an unattainable goal in the long run.

Equity, ownership, efficiency and visibility: four criteria to judge the institutional framework of the Union for the Mediterranean

When it comes to the objective of ownership, the unfolding events seem to have been ambiguous. While some southern governments were apparently more inclined to live up to the task of dealing with the process, the impact among civil society has been more mixed, mainly because of its lack of a real stake in participating. Indeed, while Euromed has always aspired to be a community of the Mediterranean people, the UfM is clearly a community of states, which in turn also raises the question of what to do with the third dimension of the Barcelona Process. Will it become part of the UfM or will it be moved under the ENP? In short, while ownership among states has somewhat increased, it has in part decreased among civil society, specifically in

the southern states. Moreover, the UfM impact on ownership has not been felt equally across states. To be clear, the designation of posts in the UfM Secretariat and the Co-Presidency has meant that some northern and eastern European countries have not felt sufficiently involved in the process. The same could also apply to some of the Adriatic countries and Turkey. To conclude, the goal of the UfM of having an impact on ownership has been partly missed.

The impact of the UfM according to the efficiency criteria has been more positive. We have seen the creation of the InfraMed Private Investment Fund and progress on a number of the priority projects, such as the solar plan, the water strategy, etc. These are all positive signs, but the Secretariat will need sufficient technical expertise and funding if it wants to make more progress in these domains, and it is not at all clear at the moment whether there will be a future increase in the amount of resources at its disposal. Moreover, there is no indication of whether the UfM will be able to leverage the amount of private funding that was designated as a crucial condition for the viability of the project. There is also a significant underlying clash between the UfM and the Commission on issues such as the EU funding of the project, the role and responsibility of the Secretariat in relation to implementation and other functional problems that will need pragmatic solutions. Finally, on the issue of visibility, there has equally been little to show so far. The UfM has played no role to date in relation to the peace process, despite the fair attempt to convene a peace summit. Needless to say, of course, with the cancellation of all summits and ministerial meetings there is no visibility on any of the other key issues either. At the same time, when the UfM has been unable to generate any significant visibility of its own, external events have also contributed to divert the focus of attention from the EU and the Mediterranean. The EU has been eminently absent from the peace process of the region for some time now and while this absence can largely be attributed to external factors,

i.e., the financial crisis, the Lisbon changes, perhaps the action of the Obama Administration, there is no doubt that part of the explanation also lies with the attempt of the UfM Co-Presidency to claim a role in these issues. As a result, it is safe to say that the salience of Mediterranean issues within the EU has decreased, and some northern European countries are no more inclined to let the UfM deal with them. Somewhat paradoxically, in spite of the diminishing importance of the Mediterranean issues in the EU, there is also some future potential for rivalry for visibility between the EU institutions and the UfM when it comes to the Mediterranean.

In short, the UfM has been somewhat disappointing with respect to the main objectives it was meant to achieve, failing to increase equality, ownership, efficiency and visibility of the process. Moreover, while this poor performance was due in part to the constraints imposed by external factors there are also some serious structural shortcomings weighing down on the process. And while there is probably little that can be done about the external factors, there surely is an available course of action to improve the current institutional framework, which will be the object of the second part of this presentation.

The question of institutional re-engineering can be tackled by recurring to the same four criteria used before, starting with the question of equality and balance. In this respect, the most important thing to do is to strengthen the Co-Presidency, acting on the desire of the EU to let its institutions take over from France or Spain as soon as the new architecture is in place. Otherwise, we might see a split between the South and the East of the EU, and it is therefore important that the UfM becomes again a common European project. Similarly, it might also be worthwhile to consider giving the northern European countries a stake in the Secretariat. The same considerations apply to

the case of the Co-Presidency of Egypt, of course. The problem here is what to do about the southern end of the Co-Presidency when we admit the fact that there are not many countries that can take over that role from Egypt. One possible solution is to create some sort of “team presidencies” joining up, for example, Morocco and Jordan for a period of two years. This outcome might represent a very difficult organisational task but it would at least increase equality and balance in the partnership.

The European Union and the Union for the Mediterranean might be rivals for visibility in the Mediterranean

In order to raise the sense of ownership, it is crucial to upgrade the role played by civil society, and give it a stake in the process, specifically enabling it to scrutinise the work carried out by the UfM. The setting up of an array of representative bodies such as a Euromed Parliamentary Assembly, a regional and local assembly or an economic and social assembly are all good steps in this direction, but more still needs to be done. The issues concerning efficiency and impact need to be addressed by raising more private funding for the UfM, in order to avoid the current situation of dependency on the Commission as the primary source of funding. After all, this would mean that the UfM is to some extent a mere duplication of efforts. And if one is to give the UfM more visibility, it must be kept in mind that it is after all supposed to be the incubator of projects, so that its success depends on the achievements of these concrete activities. This is the sort of “output legitimacy” that the UfM has to strive for, rather than trying to meet the more complex and less visible political projects.

AN EFFECTIVE AND DEPOLITICISED UNION FOR THE MEDITERRANEAN

Ahmed Driss. Director of the Centre of Mediterranean and International Studies, Tunisia

Fifteen years after Barcelona, the discussions continue surrounding the best institutional architecture for the Mediterranean: multilateral or bilateral. Since 2003, the bilateral approach has been favoured within the framework of the European Neighbourhood Policy, but that bilateral approach was not absent at the launch of the Barcelona Process and the Euro-Mediterranean Partnership in 1995, as the legal basis for the cooperation relationships between the EU and third countries is association agreements. In this regard, the association agreements are multi-bilateral relations as they are between the EU and a third country.

In any case, the multilateral and bilateral approaches are not contradictory; rather, in principle, they are complementary. The bilateral approach favours links with those that make most progress and enables the difficulties encountered in the multilateral approach to be overcome. In a way, this approach is a tool to side-step the political problems that may become obstacles to achieving the Barcelona objectives. The fact is that certain partners have chosen to be more advanced than others in their relations with the EU, and it is not surprising that the four countries that have signed a free trade agreement, the Agadir Agreement, are the four countries with the most advanced relations with the EU, and which have the will to move forward. These countries insist on this bilateral approach and are keen to guard what they have achieved through this approach. For example, this is the case of the most advanced of these four

countries, Morocco, as it already has advanced status, and perhaps also of Tunisia. One possible issue is whether these countries are concerned with the multilateral approach and what will become of this multilateralism at the Mediterranean level.

The multilateral approach, instituted since 1995, has made great progress with the Union for the Mediterranean (UfM), and there are several reasons to opt for it. In the opinion of the members of the Secretariat, it is an approach that favours ownership of the process, equality among the partners and, consequently, it is an approach that underpins a more equal partnership. However, the question remains to what extent this approach favours true equality among the partners. In this regard, to what extent have the co-presidencies, for example, the French and Egyptian co-presidencies, been equal or considered as equals? The equality question remains open and it is difficult to find an answer. Also, the UfM must tackle the same problems and the same paralyses as the Barcelona Process, in particular the Middle East conflict, which, for some time now, has blocked the possibility of any progress.

Confronted with these obstacles that have blocked the multilateral approach for some time, several proposals have been made. The first is depoliticising the process. Some believe this to be impossible to achieve, but it is the route that should be taken. If the process is not depoliticised because its political dimension does not need to be removed, at least the process's operational structures should be

depoliticised. This proposal, originally made by Tunisia, aims to place the process's operational structures in the hands of people outside official politics, belonging instead to the world of business and civil society. Thus, depoliticising these structures would be achieved by recruiting non-political personnel.

The Union for the Mediterranean's operational structures should be depoliticised

For example, as regards the Secretariat, there would be no need to systematically find a political balance by region and political grouping; rather, it would suffice to find good candidates with proposals and who strengthen the project-based approach.

The second proposal is to "de-Brusselise" the UfM. We have observed that when the bilateral

approach is applied, the Commission is the lead body, whereas when the multilateral approach is favoured the Secretariat takes over. "De-Brusselising" does not mean that Brussels should be totally absent, rather that the co-ownership principle should be implemented effectively, including in financial matters. The Commission's entirely legitimate budget allocation right is in conflict with the ownership process. In the context of such a process, it is difficult not to participate in the financing of operational structures and projects. This means that in order to assert their ownership of this project, the southern countries should participate in financing decisions.

Finally, the third proposal is to focus as much as possible on the project-based approach because if this approach is blocked by political considerations, such as those seen to date, this will leave us at the starting point and we will not resolve any of the problems in the Mediterranean region.

FOR A FULFILLED PARTNERSHIP

Lotfi Boumghar. Institut National d'Études de Stratégie Globale, Algeria

The Euro-Mediterranean Partnership's institutional framework has gone through numerous incarnations since 1995. When the Barcelona Process was launched, it assumed a bilateral framework, with the European nations represented by the EU and the third party-Mediterranean countries represented individually. This institutional architecture won out during the negotiation of association agreements and when the neighbourhood policy was launched. The so-called Union for the Mediterranean (UfM) initiative marked a change in this focus, favouring an intergovernmental approach. This approach initially appeared coherent in that the UfM was designed to represent the intergovernmental pillar of the Barcelona Process.

The Treaty of Lisbon, however, introduced certain ambiguity by awarding new prerogatives to European representation in foreign policy. Having realised that if European representation in this area moves onto the EU level, the UfM would replace the classic Barcelona Process and would no longer be complementary to or included in the process. This would transform the UfM into a "new Barcelona" and not "within Barcelona anew".

From our perspective, this lack of clarity has been one of the major handicaps afflicting the UfM since its conception. The second handicap is the wish to depoliticise the initiative by reducing it to a technical configuration, whereas it is evident that the political agenda played a major role during its preparation. It would be naïve to believe that such an institution can

be stripped from the geopolitical context in which it acts. The Israeli-Palestinian conflict has reminded us of this fact on several occasions.

At this stage in our reflection, it is worth questioning the relevance of launching a new initiative such as the UfM. In other words, Europe has fallen into the same trap in the Mediterranean as in the process of European construction, a preference for enlargement over deepening. We believe that it is highly desirable to prevent the same mistake being made in the Euro-Mediterranean context by taking a path that leaves ample room to achieve two main objectives:

- Reviewing certain aspects of the association agreements focusing on the importance of their human dimension. At the current time, these agreements have little bearing on the daily lives of the people on the southern shore of the Mediterranean and seem an issue that only interests the elite who are the only ones to benefit from them. It is important, for example, that these agreements have a positive influence on the issue of the movement of people and improving the quality of life of the people of the South and that they not be limited to creating a free trade area.
- The second path consists of seeking increased homogenisation to strengthen the sub-regional approach.

In this context, the European construction process is a good point of reference as regards the enhanced

cooperation model which enables certain countries to advance quicker than others. In this regard, the time has come to institutionalise the 5+5, leaving behind informal dialogue, in order to guarantee it the necessary continuity so that it benefits from the essential financial mechanisms required for it to achieve its objectives.

In conclusion, notwithstanding the vital institutional clarifications, the true obstacle in the path of the Euro-Mediterranean Partnership is the refusal of governments, and European governments in part-

icular, to accept all of the dimensions of the Partnership. In actual fact, many governments would prefer a Euro-Mediterranean trade area and not a true partnership.

The Barcelona Process is facing a lack of readiness to accept the consequences resulting from the Partnership. The institutional procrastination that we are witnessing is merely the reflection of this shortcoming. Once the multidimensional nature of the Barcelona Process is fully accepted on both shores of the Mediterranean the necessary institutions will follow.

SEEKING INSTITUTIONS FOR THE MEDITERRANEAN

Fatih B'chir. Medafrique, Belgium

The search for viable and effective institutions for Euro-Mediterranean relations is still on-going. What is important is not so much the application software, but rather the operating system itself regardless of the political circumstances of the day. The formula previously applied to the Mediterranean, "everything except institutions", has not changed. But it should be made clear that what is required is everything except the institutions of the European Union, which has not been able to meet the Mediterranean need for a clear institutional framework.

In this regard, other examples of institutional organisation could be analysed, including the use of concentric circles: a country can be a member of the European Union, the Council of Europe and Benelux at the same time. Thus, it is also possible to imagine institutional formulae able to advance dialogues and resolve potential conflicts in the Euro-Mediterranean group. One possible formula is the one Europe applies to itself every day: defusing conflicts. The underlying idea behind the Union for the Mediterranean (UfM) clearly favours this approach, even if it was not set out very well by the Elysée. However, it currently seems that there are no adequate responses to this demand to institutionalise Euro-Mediterranean relations. A sort of mental or psychological impossibility exists, tinged with ulterior motives.

As far back as the 1980s, the former Belgian Prime Minister, Mr Tindemans, said that the motives that led to the creation of the European Coal and Steel

Community now exist around the Mediterranean and that civil society is aware of that need. There are certainly far more networks than those imagined institutionally. Even before the Barcelona Process, there were already networks in place in the fields of energy, transport and textiles, etc. We are seeing the spontaneous creation of networks that has not required the involvement of diplomats because there is real demand on the ground.

However, the impression has been left that the institutional or political are still working under a delay that is unable to conceive the formula to take account of this reality. The Mediterranean is a reality but, in structural and institutional terms, neither the UfM nor the European Commission or any of the European institutions has been able to find a format for it. They are conducting a sort of permanent search for an overall Mediterranean approach. In fact, we have even had the impression that, over the last few years, Brussels' only Mediterranean strategy has been to change strategy frequently. When a specific policy is proposed, we do not even have time to delve into it before another process starts. That was the case with the Barcelona Process when the European Neighbourhood Policy was created. Even if there are justifications for this policy, it did not have a real foundation as the need to find a common denominator between the East and the Mediterranean sometimes seemed artificial.

That is why we must do far more than conceive solutions, criticise or judge the UfM, the associa-

tion agreements or advanced status. We must now reflect on the “everything except the EU’s institutions” formula and ask ourselves what institutions the Mediterranean should have. We have to conceive an institutional framework that enables all of this confused and varying dialogue to be deployed. Once this framework has been put in place we will

be able to refound the Mediterranean. This is a task for both politicians and intellectuals as a major debate must be held. EuroMeSCo also has a role to play in that debate. Intellectuals must also leave the daily political agenda behind to imagine this utopia and give it specific form.

THE LESSONS OF THE EUROPEAN NEIGHBOURHOOD POLICY AND THE EASTERN PARTNERSHIP: A BLUEPRINT FOR EUROMED RELATIONS

Erzsébet N. Rózsa. Executive Director at the Hungarian Institute of International Affairs, Hungary

I will start by analysing the emerging Euromed institutional framework that is meant to assist not only the political allies in the Mediterranean but the EU Member States of Central Europe as well. The main problem signalled by many other analysts is that we have too many overlapping institutions often colliding against each other. Something must be done about this, and some interesting ideas have already been put forward. There is a sort of institutional proliferation in action and the experience of the European institutions shows that once institutions are created, they have the tendency to reinforce and recreate themselves in a seemingly endless process. This is a fact that must be necessarily addressed in the future. On the other hand, there is a tremendous need to look for common consensus. To this end, there has been mention of the desirability of fostering a sense of co-ownership, of the depoliticisation of issues, and of focusing on things that are of common concern for us all, such as migration, economic crisis, terrorism and spill over of local conflicts.

The Sahara region is another example of a common concern for southern Mediterranean and European countries alike. But there are other such concerns that can easily fall into the category of co-ownership and that represent at the same time practical issues that can be tackled in a better and easier way. Within the Union for the Mediterranean (UfM) structure there are these ambitious projects, like solar and alternative energy and the issue of energy sources in general, which are deprived of any political impli-

cation and represent a common concern for all the countries involved. This way of conceiving the activities of the UfM would be, at least at this stage, much more fruitful than if it was to engage with political or even security issues. But make no mistake, however depoliticised these issues can be, they can be easily securitised as well.

Finally, there is a third comment that will probably not be very popular with this audience. Nevertheless, it is useful to recall that 2011 will be “a year of Central European Presidencies” in the European Union, and that the eastern partnership is as important for them as the UfM is for the southern Member States. It is also true that the new EU Member States are probably more aware of the responsibilities that go associated with the Presidency of the EU than some of the older Member States are. Undoubtedly, their main concern will be with the eastern partnership. The Hungarian Presidency’s agenda includes issues like the Western Balkans, which, if one looks at things in a complex way, are part of the Mediterranean, and the topic of the Danube. Again, the new Member States fully accept their responsibility to live up to expectations within the framework of the UfM and Euromed, as well as of the European Neighbourhood Policy (ENP) and the eastern partnership. However, while the ENP was initially designed to aim at a kind of bilateral partnership, the Euromed – from the beginning – embraced both a bilateral and multilateral framework. Now, even within the ENP the multilateral forum is gradu-

ally developing, so there are certain correlations and interactions emerging. These waves of upcoming EU Presidencies offer the possibility to help break new ground through their first-hand experience in

this complex process of relations with the EU. Yet, special attention must be paid to how Lady Ashton and her team, the European External Action Service, will operate in practice.

A POSITIVE LINK BETWEEN POLITICS AND ACADEMIA

Karam Karam. Lebanese Center for Political Studies, Lebanon

There is no shortage of ideas. I often hear what researchers and scientists propose as an assessment of Euro-Mediterranean relations. Some approaches are more pessimistic than others, but what is missing?

It is possible to link the political and intellectual arenas. Consequently, this scientific and technical knowledge should be injected into the heart of the activity, of political action, in order to make better use of it.

There is no shortage of ideas as conferences like this one are held regularly. Researchers and institutions have been working on Euro-Mediterranean relations for a long time. The work is continuous, but we often pose the same questions and make the same assessments. So how can we place scientific knowledge at the heart of political action? That is something we have to address in detail and reflect upon, in order to ascertain how these demands can be made truly complementary instead of being in opposition.

**A STRENGTHENED
COMMON FOREIGN
AND SECURITY
POLICY IN THE
MEDITERRANEAN
AND IN THE
MIDDLE EAST**

MIDDLE EAST PEACE PROCESS: A MORE SUBSTANTIAL ROLE FOR THE EUROPEAN UNION?

Juan González-Barba. Director of Foreign Policy for the Mediterranean, the Maghreb and the Middle East, Ministry of Foreign Affairs and Cooperation, Spain

This panel bears the title of “A Strengthened Common Foreign and Security Policy in the Mediterranean and the Middle East” and I would like to present three important issues that go to the heart of the topic in question. First of all, we have to ask ourselves whether the new structure resulting from the Treaty of Lisbon is going to affect the way the EU relates to its southern partners. The deliberations and the comments on this panel will reflect the perspective of both the European and the southern Mediterranean countries. More specifically, it is an interesting point in time to ask these questions, now that the EU has a High Representative who will be in charge of the external representation of the EU and the European External Action Service (EEAS), chair the Foreign Affairs Council, set the agenda and that will have, at least on paper, a higher degree of discretion and independence from the Member States than before.

What impact will this new scenario have on the way Europe relates to the South? If I may draw a comparison as an example, it is perhaps obvious that for Catalonia the main interest concerning the external borders of Spain lies in the relations maintained with France, while, conversely and predictably, for Andalusia, the southernmost region of Spain, the main interest will rest on the relations with Portugal and Morocco. But no one, when taking the Spanish perspective, would say that one kind of external relation is more important than the others. It is therefore interesting to see whether this new structure will

contribute to at least mitigate one of the weaknesses of the Euro-Mediterranean cooperation, such as the contradictory level of priority accorded by the rotating Presidency to Euromed and the eastern partnership. Are we now going to have a unified European perspective on the whole range of external relations of the European Union, treating both partnerships on an equal footing, regardless of which Member State holds the rotating EU Presidency? This is an important issue to monitor in the near future.

The second point of debate relates to the implementation and the predictable performance in some Mediterranean countries of the new instruments of the Common Security and Defence Policy (CSDP) and in particular its missions. At the moment there are only two such missions in the southern Mediterranean countries that go under the name of EUPOL COPPS and EUBAM, both based in Palestine. They have both been the target of much criticism, especially the EUBAM due to the current situation in Gaza. But it needs to be said that, on the one hand, from the beginning it did not have a mandate to survey the whole border between Gaza and Egypt, only the Rafah crossing and that, on the other, it could only work with the agreement of the two parties. After the coup d'état of July 2007, which established a de facto Palestinian monopoly of the authority in Gaza, this is no longer the case. It is therefore not clear what the contribution of these two missions to the solution of the Israeli-Palestinian conflict is.

Thirdly and finally, let me concentrate again on the Palestinian-Israeli conflict, as there is some talk about the role of the international community (monitors, observers and troops) once a peace agreement between Israel and Palestine is signed. It is clear

that any deployment of troops along the border will not be carried out under a European umbrella, but rather under the supervision of the United Nations. It is nonetheless pertinent to conceive of possible alternative scenarios that could form in the region.

THE COMMON FOREIGN AND SECURITY POLICY AFTER LISBON: ADVANTAGES AND REFLECTIONS FOR THE FUTURE

Christian Jouret. Head of Unit for the Middle East, General Secretariat of the Council of the European Union

The Treaty of Lisbon, which is now being implemented, constitutes remarkable progress in the European Union's foreign affairs. But Lisbon does not start from a blank page; the EU has had ten years of the European Security and Defence Policy (ESDP) and almost twenty years of the Common Foreign and Security Policy (CFSP). Within the framework of these policies, the EU has launched around thirty ESDP missions, of which fifteen are still operational at this time, including two missions in the Palestinian territories: EUBAM Rafah and EUPOL COPPS. Moreover, there are 130 European Union delegations around the world, fifteen of which are in the Mediterranean region, and Europe is the world's largest international donor of humanitarian aid. This little compendium is a sign that Europe is not starting from scratch and that Europe must continue down its path, because it needs and is required to be a heavyweight in international relations. The provisions of the Treaty of Lisbon will allow Europe to expand its role within the international community. There are five noteworthy innovations in terms of external action. The first is the President of the Council, henceforth a permanent president. Mr Van Rompuy has been elected for two and a half years, a mandate which can be renewed once. This appointment ensures far greater continuity than in the past with the rotating Presidency that changed hands every six months.

The second innovation is the position now held by Lady Ashton, the High Representative for Foreign

Affairs and, at the same time, Vice-President of the European Commission. This is important as she simultaneously holds a position with intergovernmental responsibility, as she chairs the Foreign Affairs Council, and is Vice-President of the Commission and, consequently, has the full raft of community responsibilities. This duality is one of the constructive ambiguities of the EU: continuing to mix the countries as independent members of the EU with national diplomatic services and the EU which, gradually, is gaining its own role.

The third major innovation is the creation of the External Action Service, a diplomatic service composed of Brussels officials, but also of diplomats from the Member States who will be seconded to this external service. This new organisation will not fall under either the Commission or the Council but, instead, will be a sort of *sui generis* body. This mixing of Brussels officials and civil servants from Member States is very interesting. In the past, the previous High Representative, Mr Javier Solana, was aware of the need to have diplomats at his side as he was increasingly perceived as Europe's Minister of Foreign Affairs. Mr Solana, however, was a minister who had no diplomatic tools at his disposal and, for that reason, he developed a unique body around himself called the "political unit". Within this system, one diplomat from each Member State worked for Javier Solana providing him with information, analyses and capital. Thus, an embryonic diplomatic service was already in place but it was very small

and had not been institutionalised as it is now with the coming into force of the Treaty of Lisbon. The fourth innovation is that Europe will now be endowed with a single, strong legal personality allowing it to be an unquestioned actor in the eyes of international legality. One of the consequences of this status is that European Commission delegations abroad will now become pseudo-EU embassies and not just Commission embassies. This legal status is absolutely fundamental for several reasons: for foreign trade and diplomacy, but above all to obtain the normative power which is essential in the globalisation process.

The innovations contained in the Treaty of Lisbon are advantageous to European construction: increased cohesion, coherence and simplification

Finally, the Treaty of Lisbon includes two clauses that facilitate the development of European defence. The first is a mutual defence clause which commits the Member States to assist each other in the event they are attacked. The second is a solidarity clause: if a Member State is suffering a serious problem, such as a natural or human disaster, or a terrorist attack, the others are required to provide assistance.

All of these innovations have advantages for European construction. We expect them to lead to greater cohesion, coherence and simplification. An example of these advantages, among others, is the Middle East Quartet. The Quartet is composed of representatives from the four main actors in this international issue. The highest level meetings are always attended by the American Secretary of State, the Secretary General of the United Nations, the Russian Minister of Foreign Affairs and the fourth, the rotating Presidency of the European Union and the former European Commissioner for External

Relations plus Mr Solana. Thus, Europe had three seats at the table instead of one. With the Treaty of Lisbon, all that will change. Lady Ashton will be alone at the table across from the current US Secretary of State, Mrs Clinton, the Russian Minister, Mr Lavrov and Secretary General Ban Ki-moon. This is progress for Europe in terms of cohesion, coherence and simplification.

However, there are parts of this new architecture in external relations that are worthy of criticism and which should be noted. As an example, to varying extents, three people may have a role in foreign affairs. The President of the Council has responsibilities which encroach upon diplomatic action as he represents Europe at summits and even has the right, if he believes it useful, to call the heads of state and government. Consequently, he has prerogatives in the community field and, above all, in the intergovernmental field, which touch upon external action, which is headed by Lady Ashton. In turn, the European Commission has a considerable external dimension and it is clear that Mr Barroso, that body's president, will be able to make his views clear in terms of diplomacy. The balance of responsibilities among these actors will, naturally, depend on day-to-day events, but also on their personalities. In the past, the Commissioner for External Relations, Mrs Ferrero-Waldner, and the High Representative, Mr Solana, found a way to reconcile their responsibilities despite the fact that it was difficult to clearly define the limits of their institutions' territory. With the current situation, which is far clearer institutionally, this will also work and a "gentlemen's agreement" will have to be reached.

What will not change are the instruments in place because they are considerable. The European Neighbourhood Policy will remain but must evolve. The Euro-Mediterranean Partnership will also remain one of the European Union's strongest tools. The Instrument for Stability, which provides a response to crises, will also remain. As regards enlargement, even if this is not an option the EU can offer all of its partners, it has been a powerful security and foreign

policy tool for Europe. The Union for the Mediterranean (UfM), on the other hand, is not an EU tool, but that does not mean that the EU is uninterested in the UfM's actions. The Union is currently looking for the means to play a role in the northern Co-Presidency. It is impossible to imagine that the UfM and Europe, with its Mediterranean policy, can live alongside each other without harmonisation, consultation and exchange.

Nor will the EU's philosophy change. The EU is strengthening its regional block; however, it wishes to continue doing so in its own way, the "soft" way. In this regard, the states, particularly the strong states, have both carrots and sticks, that is to say pros and cons, which they use in their diplomatic relations. The EU, on the other hand, rarely has sticks but very often has carrots and very large carrots at that. If the Union proposes cooperation and it does not work it can increase that cooperation proposal.

Despite its shortcomings, to date the European Union has had achievements, and has managed to have things achieved, but it has not been able to prevent things from happening. For example, in the field of diplomacy, thirty years ago the EU invented the concept of self-determination for the Palestinian people. It is also able to make things happen. An example would be the association agreements and all of the resulting relations. Whenever one of its allies or neighbours wishes to undertake reforms, the EU can contribute to those reforms. On the other hand, it is not able to prevent certain things from hap-

pening. For example, the Union cannot prevent the colonisation of the Palestinian territories, because it has no resources in the area. The Israeli-Palestinian conflict is a complex issue for the European Union. With the new prerogatives acquired under the Treaty of Lisbon, we hope to be able to continue doing what we do best now and to maintain good transatlantic relations, without which nothing will be achieved in the Middle East. Of course, the Union can be expected to do more as there are a certain number of ingredients justifying more action, but we require an improved strategic vision.

The EU must become a powerful Europe. Until now we have lived in the ideal, dream world that is the EU, which represents a world of stability, prosperity and rules. The Union must leave behind the concept of being a moral superpower and feeling that it belongs to a more advanced period of history that surpasses all other actors. The EU believes that wars no longer exist, or should not, and thus tries to project those morals. This attitude is not the future. Europe must become tougher and have a tighter grip on the world.

Finally, the EU's greatest asset is that it is never happy with itself; it regularly renews itself, often painfully. That is the case right now as it searches to move forward. We do not yet know where we are heading, we do not know what the EU will become in ten, twenty or fifty years, but we are moving forward without a model to follow. For the time being, we are going to digest Lisbon, the latest major positive change to the Union.

THE CHANGING INTERNATIONAL SYSTEM AS A CONSTRAINT AND AN OPPORTUNITY FOR THE EUROPEAN UNION

Atila Eralp. Professor at the Middle East Technical University, Turkey

I will start with some introductory comments about the changing international system as a framework of analysis to understand the driving forces behind the need to strengthen the common security policy in the Mediterranean and the Middle East. When one looks at the international system, it jumps out at the observer how it is going through a major transformation that some have also characterised in terms of turbulence. The system is becoming increasingly multipolar in the midst of the current economic crisis. In this changing context there are two possible sources of international relations: on the one hand, there is the traditional response of actors getting involved in power politics and, on the other hand, there is the challenging response, that of multilateralism, which is all the more difficult when the international system is changing. In my opinion, the need for more multilateralism can be clearly discerned, and the EU can play a critical role in transforming and enhancing the emerging multipolarity into a more multilateral kind of a system. A critical test for the EU in its capacity to promote multilateralism takes place in its surrounding regions. If the EU wants to be an effective and attractive model, it has to show that its push for multilateralism has some appeal for its neighbouring regions, and especially so in the Mediterranean and the Middle East region. In brief, the EU should find ways to root its multilateralism in its neighbourhood by creating a multilateral kind of regionalism.

There are two broad possibilities for the regions around the EU: they can either choose to engage in power politics or they can be part of a stable multilateral system,

and the role of the EU is critical in determining the odds of these two possible scenarios. The Treaty of Lisbon surely opens up new horizons for an outward oriented EU. Until now the EU has been more inward looking, focusing on its internal dynamics and problems, on promoting peace, welfare and democratic inclusion within its borders. These are major achievements, but it is now time for the EU to deepen its presence in the international system through a more outward oriented attitude, focusing more effectively on the problems of globalisation, and on major conflicts within that system. Foreign policy is one of the most innovative areas of the Treaty of Lisbon aimed at making the EU more effective in its external projection. It is now up to the EU to take advantage of this new toolbox and work on a more active policy also vis-à-vis the Middle East and the Mediterranean region.

Let me point out some important topics in the region in terms of foreign policy. One is the need to agree on a common and more comprehensive regional approach. The Treaty of Lisbon offers the possibility to define a common position and the EU should now take a clearer stance based on this new-found coherence. The second possibility is to have a better coordination of various EU policies and actions in the region, which are the European Neighbourhood Policy, the Union for the Mediterranean and the Barcelona Process. Thirdly, there is also a need to bring the defence policy (Common Security and Defence Policy [CSDP]) and the foreign policy (Common Foreign and Security Policy [CFSP]) together, as we need more linkages between

these two EU policies and the instruments thereof. Finally, the EU has to make peace in the Middle East the priority, knowing that this is an extremely important and even essential condition for the viability of the whole project, as there is no European-Mediterranean community without peace. Therefore, in my opinion, the EU needs to actively engage in the Middle East and in the Arab-Israeli conflict. It can no longer hold its current role as a bystander and it should not leave the management of the process entirely in the hands of the USA. This is particularly important at this moment when the USA is renewing its efforts in the region, as shown for example by the more active role played by the Secretary of State Hillary Clinton. The EU should immediately start to collaborate with the USA in its new wave of diplomatic action in the region. In addition to the Middle East Process, the EU should also focus its efforts on the solution of the Cyprus problem. Without going into details, I think it is absolutely essential to focus on this problem because the EU needs some success stories, especially in the midst of a crisis, and Cyprus could still be one of them, even though time is running out. Nathalie Tocci has recently been writing on this subject, looking at some of the problems that this issue has generated in the European Parliament. There is still some time and the EU should do whatever possible to grab this opportunity.

Improving transatlantic cooperation is a necessary but not sufficient condition and it needs to be flanked by regional engagement and ownership. The EU has to be more effective in including regional actors, and here the focus is on the position of Turkey and in particular on the role it plays within the action framework defined by the CFSP and CSDP. When one considers Turkey-EU relations on foreign policy and political issues, although there is a multitude of mechanisms of cooperation, they are not really effective and do not materialise into a real, serious, substantial dialogue between the two actors on foreign policy and security matters. To sum up, we definitely need a more effective, more institutional and more structured mechanism of dialogue between Turkey and the EU, and all the more so in the area of foreign policy.

There is a strange situation which we might even define as abnormal in relations between Turkey and the EU. Turkey is a negotiating country with the EU, but on substantial foreign policy issues concerning the common neighbourhood, Turkey and the EU do not talk to each other. They have a common neighbourhood but their respective policies do not converge, while we are even witnessing the emergence of a more independent Turkish foreign policy in the Middle Eastern region. As shown by many studies on this issue, Turkey could be an important asset for the EU's CFSP in the Middle East and in the Mediterranean, but this remains at a potential level that is not put into effect. In terms of its possible contributions, Turkey has all kinds of soft power capabilities now in addition to its hard power potential. Turkey is well connected both to the EU and to the region through a web of relations with all relevant regional actors that gives it a major capacity for mediation. With such capacities, Turkey could forge a regional consensus regarding the EU as well as contributing to a better understanding of EU policies and values in the region.

The peace process in the Middle East is an essential condition for the viability of the Euromed project

Taking advantage of the updating of EU foreign policy brought about by the Treaty of Lisbon, it is time to work on this potential role of Turkey and try to bring this country into a more regular and institutional mechanism regarding the CFSP and CSDP. More specifically, Turkey should be included in the relevant political dialogue mechanisms and always be present when the EU is discussing Middle Eastern issues. It does not need to have a voting right, but it has to be there in terms of dialogue with the EU and if there are problems with formal mechanisms there should be more informal venues in place linking the Turkish Foreign Ministry and Lady Ashton's Office. The current mechanisms are not used on a regular basis and it is therefore necessary to

change this ad hoc situation into a more institutionalised pattern. There is a recent report by the European Council on foreign relations analysing the strategic interaction between the EU, Turkey and Russia. It puts forward a creative idea of a trilateral dialogue among the three actors through a more informal mechanism. I defend the need for such innovative ideas in order to bring Turkey closer to the heart of the CFSP. In the Treaty of Lisbon attention has been paid not only to the need for more coherence in foreign policy issues but also to the need for more flexibility. More attention should be paid to the linkage among the mechanisms designed for allowing flexibility, especially those intended to bring neighbouring and candidate countries into the foreign and security policy area. In order to overcome some of the obstacles, Turkey and the EU should find ways to open the CFSP chapter, a key step for enhancing the bilateral dialogue that is unfortunately bogged down in the negotiations for accession. The stumbling block is the Cyprus issue, which is also at the origin of a vicious circle causing all kinds of problems

not only in terms of Turkey-EU relations but also in terms of NATO-EU cooperation on important issues. It is clear that breaking this deadlock should become a matter of priority for everybody.

To conclude with a synoptic overview of the relevant points that can be extracted from my contribution, there are two options available for political actors in difficult times such as the current crisis: either they choose a short-sighted, nationalist and protectionist approach, which could be characterised as "fortress Europe", or, conversely, they could adopt an outward oriented, more inclusive course of action, taking more responsibility on pressing regional and global problems. The EU should throw its weight behind the establishment of a European model, showing a more profitable and attractive direction in the context of this turbulent international system. To this end, it is necessary to allow the transformation of Turkey within the framework of its EU accession process. Such a new European model would also serve as a much needed example for the entire international system.

THE TREATY OF LISBON: NEW PERSPECTIVES FOR THE ENGAGEMENT OF THE EUROPEAN UNION IN THE MEDITERRANEAN AND THE MIDDLE EAST

José Luis Pardo. Deputy Director, Ministry of Foreign Affairs and Cooperation, Spain

One year has already passed since the Treaty of Lisbon entered into force and it is time for the practitioner and scientific community to make a first evaluation of its implementation and, in this context, of the progress made in relation to the provisions concerning the Common Foreign and Security Policy (CFSP) and Common Security and Defence Policy (CSDP) chapters. For a practical approach, we should neither overestimate nor underestimate the possibilities offered by the new rules contained in the Treaty of Lisbon. That is not to deny that the latter represents the most ambitious reform of the EU in all its history and clear and strong headways have been made in all sectors of the EU at large, CFSP affairs included. We have dramatically increased the toolbox that the EU can now draw on in order to support its foreign policy and face security challenges around the world. I therefore have no reservation in endorsing the praise that has been lavished on the novelties of the Treaty, and I take the opportunity to stress some of what I consider to be the most significant among them. Let us start with the role of the High Representative, and her “double hat” of High Representative of Foreign Affairs and Security Policy and Vice-President of the Commission. This institutional position enables her and, in a sense, the whole of the EU to take advantage of the synergies generated by the interaction between the CFSP and the external dimension of the Community policies.

There is no doubt then that the concentration of both powers in one person is an essential achievement. In

fact, if we try to pin down exactly where the interest of a third country or region lies in having relations with the EU, we will understand that there are different dimensions that matter. First, the importance of the EU to a third country or region is of a rather broad political nature, defined by the aspiration of having the best possible political relations with the EU. In other words, because this country or region really thinks that the EU is a global player, it is certainly a valuable thing as well as a source of prestige for them to maintain good political relations with the EU and its Member States. If we translate this external partners’ target into Community terms, we are basically talking about the desire to have agreements with the EU or to be in the process of negotiating one. Negotiation of agreements is made by the Commission, subject to close follow up by Member States through the Council and scrutiny of the European Parliament.

The second main objective of a third country is to have access to the Single Market. The EU is an attractive market; we buy everything from high-end products to very cheap products, in manufacturing, agriculture, etc. Now it is well-known that external trade policy is an exclusive competence of the EU, and that this exclusivity has been reinforced by the Treaty of Lisbon with the inclusion of investment-related issues, for instance. The third main objective is related to mobility issues: the desire to travel and to move, freely, or as freely as possible, to the EU, for reasons of tourism or work. Again, this is a com-

petence that with the Treaty of Lisbon has been shifted a bit more toward the EU level, whereby the Commission can now negotiate with the consent of Member States and push forward proposals on this matter. And, last but not least, the question of harsh security issues. The nature and the intensity of this last objective varies according to the third country considered, in the sense that different countries can have different theoretical and practical opinions on letting the EU have a direct and profound involvement in specific conflicts and disputes. So even if in theoretical terms there might be an interest in having the EU involved in external conflicts, when the time comes to make a concrete decision on calling on the EU to intervene, for a variety of pragmatic reasons, the interest or the political will to do so can easily vanish.

The High Representative should take advantage of the new synergies between the Common Foreign and Security Policy and the external dimension of Community policies

The second notable development is of course the European External Action Service (EEAS), which, it needs to be emphasised, is a unique example of its kind in the world. We must realise the huge importance that the establishment of such a body represents and the revolutionary character of this event: hundreds and thousands of civil servants working for the EEAS, from Member States, from the Council and from the Commission, in a joint effort to act according to a coherent diplomatic goal, the European diplomatic cause. The delegations of the Commission, now fully-fledged delegations of the EU in the world, have the responsibility to join forces and generate synergies at the local level, while Lady Ashton is trying to do the same in Brussels, with the help of the Member States of course. Finally, the third main novelty is the question of the permanence

in the institutional representation of the EU. We now have a permanent chairmanship for the European Council and the Political and Security Committee (PSC), and the same happens with the Foreign Affairs Council (in the person of the High Representative) and with the RELEX Council working groups. This is in principle a positive development that will help in ensuring a continuity of agenda provided that the necessary co-ownership between Member States and the Council is maintained, otherwise it will not do the trick. But we should not expect immediate miracles from the Treaty of Lisbon, nor should we expect dramatic changes or improvements to happen overnight. It will take time to adapt to all these changes, especially in the case of EEAS, and it is therefore advisable to show some patience before drawing hasty conclusions.

Make no mistake though, despite all these changes the Treaty of Lisbon was not supposed to create just one, unique, foreign policy in Europe. The new structures, and the new European foreign policy, are still meant to co-exist with that of the Member States, or at least of some of them, because in my opinion in the medium term (one or two decades from now), there will only remain no more than six, seven, maybe eight Member States having differentiated national foreign policies, mainly for historical and economic reasons. Yet, what we must do is to coordinate and look out for more synergies in all these policies. What the Treaty of Lisbon asks for is the EU and Member States to speak with one voice in some cases and in the same line in any case. That is important but what is even more important is that this common voice is a stronger one; otherwise it would not make sense. And a more adapted and vigorous toolbox provided for in the Treaty will only have a positive effect if the Member States muster the political will to use all the tools it contains, and no one should in any way take it for granted.

Given all this potential for a new start, it is natural to ask what influence all these changes can have on the Mediterranean area and the peace process in the Middle East. To begin with, the EU is very aware

that, if it really aspires to be a global player, the main challenge begins in our common neighbourhood, be it the eastern or the Mediterranean neighbourhood. Narrowing the focus on the Mediterranean area, it is important to make clear that EU action follows a double track, the bilateral and the multilateral. The bilateral track has worked nicely so far and the EU has never been in a better position than now, at least bilaterally speaking, in the process of developing its relations and foreign policy. It all began with Morocco, with the idea of advanced status, followed by Jordan, with an action plan that includes this kind of advanced status, while Tunisia and Egypt are next in line. It is hoped that as soon as possible the EU will follow the same course of action in its relations with Israel, while negotiations on a framework agreement with Libya are in progress and Syria is expected to sign its association agreement. Altogether then the bilateral track is in very good shape, supported by the European Neighbourhood Policy (ENP) and its financial and political framework.

Can the EU do better than this? There is an extraordinarily interesting survey carried out by the IEMed on the Union for the Mediterranean (UfM) showing that 28% of experts surveyed think that the EU has not advanced at a faster pace because its partners in the South were not able to effect quick and sound reforms, while 23% think that it was the EU that did not do enough to help its southern Mediterranean partners in carrying out the reforms needed. But the real problem lies in the multilateral and regional track, and it is on this hindering track that the EU must increase and improve its actions. So far, there have been mixed results in trying to cope with the low and soft security challenges through the PSC, the ENP and other programmes. In the high or hard security challenges the EU has not been as successful, notwithstanding the fact that it has made its contribution by sending missions in the Middle East peace process and in other instances. But it is not only the EU or the countries involved in these security challenges that are responsible for solving

them. Of all the security challenges that we have in the region, three of them are strong enough to be seen by the international community as a matter of international interest.

We should not expect immediate miracles from the Treaty of Lisbon, nor should we expect dramatic changes or improvements to happen overnight

This can be better explained by means of an example drawn from Spanish folklore. The typical dance of Catalonia is the *sardana*, which is different from other types of dance such as the tango, in that it cannot be performed by just two dancers. In the *sardana* there must be at least five or six people dancing, otherwise there is no dance at all. That type of dance prevents the emergence of a strong dancing leader; at the most there can be someone "suggesting" the rhythm for the others to follow, nothing more. Well, this is a kind of a metaphor for the kind of solving approach for the Middle East peace process. It is not only the EU who dances, and, in some cases, not even the EU who can suggest the rhythm of the dance. Let us then put the responsibility of the EU in the right place. In the aforementioned survey, 73% of the answers identified the Middle East peace process as the main obstacle in improving the living conditions of the population or in solving other security challenges in the region. The profound implications of solving this conflict for the future of cooperation in the region are surely not lost on the UfM.

Nevertheless, there is a permanent mantra repeated in the scientific community that keeps reminding us of the inefficiencies of the EU, the disappointment and the frustration engendered in the region by its actions and all sorts of similar complaints. It would not be fair to say that there is no truth in these remarks, as I was posted in the region and I know it

very well, but what about the complaints on the part of the EU? What about its disappointment and the lack of credibility of some of its interlocutors in the region? What about the frustration of the European tax payer? It is then equally fair to take that into account too. For instance, the level of the financial allocations to Palestine is now at the level of 54.4 euros per capita per year, and that figure is only limited to the bilateral ENP envelope, it would be much higher if we added up other financial envelopes too. That figure is many times higher than that of the second recipient country figuring in the list of the ENP funding and it is almost double the level of aid granted to some countries under the pre-accession instrument; that is, countries that are making great efforts and through reforms in their push to become EU Member States.

In conclusion, the EU must of course advance and improve its role and it will certainly manage to do so, but it also needs some help from its partners. The EU needs them to acknowledge the level and efficiency of its involvement if it still wants to have a place in the future of the region. It is a good thing to ask for

more EU attention to the Euromed region, and, to be frank, the EU has all the tools it needs to make that happen. Take the letter of the Treaty for example: Article 8 of the EU Treaty offers to all its neighbours, including of course the Mediterranean countries, the possibility of enjoying a "special relationship" with the EU; that is, a privileged treatment. But the best the neighbours could do to attract the attention of the EU is to make concrete contributions on substantial issues, such as security, where there are outstanding cases whose definitive resolution will take a long time to materialise, and where even small steps in the right direction would be a very welcome sign for the EU. Specific initiatives such as the UfM are of course of great importance to jump-start the process of participation and multilateral cooperation again. Finally, political activism must be properly backed up by a better financial framework and now that the EU is in the process of debating the new financial perspectives, the chance should not be missed to redefine the criteria underpinning investment decisions in some of its most populous partner countries, such as Morocco, Egypt or Ukraine.

THE EUROPEAN UNION AND THE ISRAELI-ARAB CONFLICT: SEEKING AN EFFECTIVE ROLE

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Europe's external policy regarding the Israeli-Arab conflict is an inescapable issue in the field of Euro-Mediterranean relations. No one can refute the European Union's willingness to play an important role in this area, and the reasons for that stance are easily explained. These reasons include geographical proximity, cultural affinities, and even the integration process which has transformed Europe into an international power. However, the EU is also aware that its role is limited because of two unfavourable factors: the Israeli factor and the American factor. As regards the Israeli factor, Israel is certainly not enthusiastic about Europe having a political role; it would prefer the political stage to be essentially dominated by the United States, monopolising the role of mediator. There is also the American factor as the US would, in effect, like to monopolise the political role in the Middle East, given the region's importance in the world. From the European point of view, the Atlantic dimension of European policies has to be taken into account along with the need to not antagonise the United States. The Israelis and the Americans do not object to Europe playing a certain role as long as its action remains complementary and it does not become a replacement or antagonistic. That is exactly what defined the nature of Europe's role in the peace process and it is not by chance. This leads us to consider the matter of the role played by Europe in resolving the Israeli Arab conflict. The Barcelona Declaration was established in 1995, right after Oslo and the fall of the Soviet Union.

It was clear to see that within Europe there were two orientations and methods: those pushing for a European role independent of the United States, Gaullism, and those backing European enlargement and pushing for a more Atlanticist orientation. The Oslo Accords, backed by the United States, resolved the issue of Europe's role as an actor in international relations and prepared the ground for Europe to play a reasonably important role in the process of building a future Palestinian state.

Europe has played a more important role since the Accords were signed. Europe has given more aid to the Palestinian Authorities than any other donor in an attempt to build up Palestinian political institutions and to prepare for creation of an independent state. Europe's role, therefore, was economic and its political impact could be considerable if the peace process is concluded. Unfortunately, the process has become blocked and this limited role has not been effective in the peace process. Now, Europe can attempt to learn the lessons of what has happened over the last fifteen years: the acknowledgement that it should play a very clear and precise political role as it cannot content itself with simply controlling the purse strings and report. This position has damaged Europe and now reflects what is expected of it, particularly from the Arab point of view.

On the one hand, Israel is not ready for true peace, and that is the real matter at hand. Israel is not ready to make peace and the United States cannot be a neutral mediator. From this perspective, only Europe is in a

position to act effectively as an outside party: backing neither the Israeli nor the Arab position while remaining on the side of international law. In this regard, there are two key documents: the advisory opinion of the International Court of Justice regarding the wall, and the Goldstone report. All action must be taken on this basis as if no solution is found respecting international law, no solution will be found at all. If Europe believes that by bringing the Arab nations together within a Mediterranean institutional framework it will be able to achieve normalisation between them and Israel, it will discover that will never happen.

In conclusion, we must rethink the institutional set-up as regards three dimensions: one dimension to develop a Euro-Arab relationship, one dimension to develop relations between Europe and Israel and a third parallel dimension to begin a dialogue on regional powers, such as Turkey and Iran. These three dimensions are essential to achieving lasting peace. In other words, if we do not resolve Europe's role in order for it to play a truly political role we will go round in circles and many more wars will be waged over the coming years rather than a search for peace.

A CLEARER AND MORE EFFECTIVE EUROPE AS PART OF THE EURO-MEDITERRANEAN WHOLE

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The debate on Euro-Mediterranean relations is part of an international context characterised by a certain number of particularities. First, the emergence and confirmation of new actors in the Euro-Mediterranean arena. These new actors are mainly Asian and they work under different paradigms and have new propositions. The question we have to answer is to what extent the European Union has properly assessed the weight of this new context. A second characteristic is that, within this context, the major trends are tending to diminish the role of the Euro Mediterranean arena in favour of other regions and issues. This is all occurring within a context characterised by a fragmented southern Mediterranean, lacking democratisation, and despite certain grains of optimism. Macroeconomic progress has been registered in the Mediterranean Partner Countries, but this progress has done little to broaden the middle classes in these countries. Consequently, we are seeing growth without development. Turning to Europe's security policy in this context, it is characterised by improvisation whereby the path followed is set out ad hoc. This has led to a certain degree of institutional complexity. This complexity is an obstacle to Europe's calling to play a leading role in international relations.

As we move towards the future, three propositions should be considered. The first is the need not for a

strong Europe, but for a strong Euro-Mediterranean. Thus, we need to change the perspective and even the mentality applied when working in this region. This is the root of the responsibility to lift up a certain number of Mediterranean partners. The second proposition is to achieve three requirements in the framework of the European Neighbourhood Policy. The first point is clarification of Europe's position vis-à-vis certain regional issues and conflicts. The second point is increased coordination between North and South, and between the institutions and partners working in the region. The third is the need to increase the effectiveness of foreign and security policy. Finally, the key element is the need for peace in the Middle East. Hence the need for active engagement on the part of the EU to re-politicise this matter or to realign its politicisation. With the creation of the Union for the Mediterranean, setting that conflict aside, it was believed that the path would be cleared for more progress. Instead, reality has proved the opposite to be true.

Methodologically, a distinction must be drawn between certain levels of analysis of this foreign policy: the technical, economic, political, security and cultural levels. There is now an amalgam pushing to establish this cooperation at the lowest common denominator or even to avoid the essential issues, hence the need to prioritise tasks and set a clearer schedule.

THE ISRAELI-PALESTINIAN CONFLICT AND THE NEED FOR A MORE ACTIVE EUROPEAN UNION INVOLVEMENT

Gershon Baskin. CEO and founder of the Israel/Palestine Centre for Research and Information, Israel

The EU is a model that inspires people and nations around the world, and my criticism stems from respect and admiration directed at the EU and its policy vis-à-vis Israel and Palestine in the Arab-Israeli conflict. It is often said that the Israeli-Palestinian question is the impossible question, the one that always appears before us and always holds us back. But there are many reasons to believe, in contrast, that the Israeli-Palestinian conflict can be solved, that there is nothing about this conflict which is beyond resolution and the terms of the possible, future Israeli-Palestinian treaty are quite clear. After eighteen years of negotiations there is almost nothing left to be negotiated; this is the most researched conflict in the history of conflicts, and the majority of people not only around the world, but in the region itself, agree on the boundaries of a possible resolution. This is not rocket science anymore and the two-state solution is well-known to almost everybody. 2011 is going to be the year of decision-making. I have been working on the way to end the Israeli-Palestinian and Israeli-Arab conflict for thirty-two years and I have never before agreed to put a timetable on the solution to this conundrum, but now I do.

The viability of the two-state solution, which is the only solution to the Israeli-Palestinian conflict, is coming to an end. And the possibility of a positive outcome is, in my view, directly linked to the political vitality of the current Palestinian leadership, embodied by President Abass and Prime Minister Fayyad. They represent the best leadership that we can hope for, at

least in relation to the possibility of putting an end to the conflict and building the Palestinian State. If this is not done in 2011, it is very unlikely that the leadership of Abass and Fayyad will have a chance to stay in place, and any of their possible successors, with all due respect to all the Palestinians in the political arena who see themselves as the future leaders, will be less likely to lead their nation to peace with Israel than the current leadership.

Some might of course legitimately wonder if it is possible to come to an agreement without prior inner Palestinian reconciliation. I believe that it is possible to have a peace treaty bypassing the predictable opposition of Hamas, and I can support my opinion by drawing on the experience of the regular dialogue that I hold with leaders of that organisation. I do that as a peace activist and a civil society leader; if I were representing the government of Israel I would not do so. I think that the conditions set by the international community for Hamas are reasonable and that compromises on those conditions should not be made. What I hear from my interlocutors in Hamas is that the only difference between so-called moderates and so-called extremists of Hamas is the question of their will to talk to me. In other words, there is not much difference on the substance of their stance. It follows that my conclusion with regard to Hamas is how to reduce its political weight to its real size, which is around 15 to 20% of the Palestinian public who agree to its values and principles. The Palestinians are reasonable, moderate people, they are not fanat-

ics, and there is only a small fanatical minority that should not be overestimated or allowed to grow any larger. The answer to the containment of Hamas lies in empowering the other Palestinians, by recognising and dialoguing with them. The future Palestinian peace treaty will be one between the state of Israel and the state of Palestine encompassing the West Bank and Gaza. The implementation of the agreement with Gaza will take place when there is a central regime extending its legitimate power over that part of the Palestinian State.

The viability of the two-state solution, which is the only solution to the Israeli-Palestinian conflict, is coming to an end

This is a Palestinian problem and they have to resolve the differences in their own house, but if they have to reconcile themselves to a position of weakness it would certainly play into Israel's hand. They had better do that after the peace agreement with Israel is signed because, once there is peace, there will also be things they can do to change the situation in Gaza, and the majority of people in Gaza do not support Hamas. What is more, the Israeli-Palestinian peace by itself is not enough but needs to be part of a broader regional peace agreement where Syria also has to be included because of its current destabilising effect. The EU should push the Americans to see the regional dimension of the conflict and of the peace process. In any case it has to be clear to everybody that we cannot afford to wait any longer, that decisions have to be taken and political bodies have to use their respective weight and influence to seize the opportunity at hand. We all hoped that President Obama would lead us in a new direction after the horrible eight years of the Bush Administration, but we have to be honest and recognise that, at least for the first two years in office, the Obama Administration has been very disappointing. The USA has done

everything wrong to advance the peace process and the EU has allowed them to take the lead. The EU has been more passive during the last two years than ever before, perhaps out of the hope that the Obama Administration would do the job.

Probably because of their lack of resolve to take an active role, the Europeans always say: we want to be players not payers. But that is not true, at least not judging from their behaviour that seems to show, on the contrary, that they are much more comfortable being a payer than a player. Being a player involves taking your share of responsibility, and responsibility is not granted, it is taken: one makes the decision to be responsible and play a role, otherwise one can sit in a corner and complain about being side-lined, but that is the result of a decision, or even "no decision". I have already been invited three times along with Israeli and Palestinian colleagues to the European Parliament, where they spend a great deal of money to bring together a large group of local political actors to talk about the European role, and in each one of those three conferences the MEPs did not show much of an interest in the debate.

If we want to talk about concrete steps that the EU can take to play a part in the game it is interesting to note that the EU has, like any other international actor, a diplomatic toolbox, filled with carrots and sticks, as it is called in the political jargon. There is a set of penalties and incentives but, in my humble estimation, those tools have never been assigned price tags that signal what behaviour the EU expects in return for giving something away. Israel participates in the research and development programmes of Europe, gaining hundreds of billions of Euros for projects, but nothing is asked in return for that. Of course, the same applies to both the Palestinians and the Israelis. There are other examples that can help illustrate the nature of the EU's dilemmas over the conduct it should adopt. If the current round of US-Israel negotiations goes forward and there is a package of incentives granted to Israel by the United States, one of those incentives, apparently, is that the USA will not use its veto in the United Nations

Security Council during the next year, which renders it a dead arena for political change. Will the EU also accept being silent and inactive during that one-year period? If negotiations do not take place or if they are not serious, if there is no progress made over the coming months on issues of substance (borders, Jerusalem, refugees, security arrangements) is the EU willing to recognise the state of Palestine? These are questions Europeans have to ask themselves.

The European Union seems to be comfortable being a payer and not a player in the Israeli-Palestinian conflict

Recognition of a state is not granted by the United Nations, which can only grant membership: recognition of statehood is bilateral between states. Will the states of Europe recognise the state of Palestine if President Abbas asks for recognition and for being treated like a state, allowing the representative office to be an Embassy, raise their flag in European capitals and for the EU to raise its flag in the temporary capital in Ramallah?

Another example is the question of Israeli settlements. The EU has already decided that exports coming from settlement should not be granted tariff-free access to its market and that is a good first step; but settlements are illegal by international law, so why are their products not treated as illegal contraband? Why does the EU trade with them at all? It is an intriguing question as to whether the EU can make the decision to ban these products instead of just denying them tariff-free access. In Palestine today it is illegal to have settlement products on the shelves of their stores. The shops in Ramallah are filled with products from Israel, but no settlement products can get in because the fight is not against Israel but against the occupation. Can Europe do something constructive and productive to show that it is fighting to end the occupation? I want to conclude with a provoking thought that I make in every European meeting. Because the EU likes to talk about its potential power, what would happen if the EU decided to grant conditional EU membership to both Israel and Palestine, on the condition that they resolve the conflict, though not quite like the EU has done in Cyprus? It seems a rather absurd perspective, but it is one worth giving a thought.

**THE EMERGING
GEOPOLITICS IN
THE MEDITERRANEAN
AND THE MIDDLE EAST:
IMPLICATIONS FOR
EURO-MEDITERRANEAN
RELATIONS**

THE QUEST FOR LEADERSHIP IN A FAST-CHANGING WORLD

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Let me start with some short comments on the conceptual meaning of Euromed and the Union for the Mediterranean (UfM), which has been much discussed here in the context of bilateral, European Neighbourhood Policy and multilateral relations. Many questions have been raised on how to develop these different strands of cooperation, on whether they are in competition with each other, which should be prioritised and so on.

From my point of view, bilateral relations are a different issue from the UfM. Europe has its own bilateral historical relations with all Mediterranean Partner Countries and we have a panoply of models, ranging from Libya, which is just discussing its first basic association agreement, to Morocco and other countries that have already attained an advanced status, with all kinds of different situations in between these two extremes. These relationships depend very much on the wishes of the partner country leaving the EU with little other option than to be responsive to the will of its partners. Altogether, and at least politically speaking, it is normal diplomatic activity and not such an exciting issue.

Euromed represents the multilateral track in this complex web of relations. Its objective is to bring together all the countries of the Mediterranean basin into a flourishing working relationship with the EU. This was the basic philosophy of the Barcelona Process started in 1995 and it has made meaningful steps during the years; all the main developments and successes of Euromed have occurred on the watch of the

Barcelona Process. The obstacles that we are now experiencing with the UfM are eminently political.

Although institutional optimism is always warranted, it is time to be honest and frank and admit that the UfM is in trouble. It has been impossible to hold a new summit after the one in Paris on 13th July 2008; the Spanish government and local authorities have done their best on two different occasions to host a new summit in Barcelona, but their efforts have been in vain, and it was repeatedly cancelled because the conditions to make them possible have not been met. The summit has now been postponed sine die and it hangs on what future circumstances will take place in the region. But this is not the whole story of the UfM's misgivings.

The Foreign Ministers' Meeting of 2008 in Marseilles was also the last we have had, and there are no plans to convene the foreign ministers of the 43 countries to discuss policy issues and to give guidance to civil servants. In addition, many of the sectoral ministerial meetings, which used to be held on a regular basis during the Barcelona Process and also within the UfM until 2009, have been cancelled, with the exception of the successful Foreign Trade Ministers' Meeting held in Brussels on 11th November of this year. I feel that it is necessary to bring some clarity to the nature and the source of these problems and we should not make the mistake of putting all eggs in one basket.

The UfM is of course a difficult project, and this is reflected in the complexity of agreeing on budget,

rules, legal statutes, work programme, etc. But, however problematic it might be to find a compromise on these issues, the fundamental flaw is that the enthusiasm that could be found at the inception of this undertaking has vanished, and we all know the reason for that. It is nevertheless a reason for satisfaction that the UfM has found its institutional base in Barcelona and that the Permanent Secretariat, with its recently approved first budget, has now started to work; we will probably hear more about the projects and plans that are on the launching ramp. But, again, the political level of this process is somewhat paralysed.

The obstacles that the Union for the Mediterranean is experiencing are of a political nature

Let us now turn to geopolitics, a rapidly changing area whose shape and content has increasingly been defined by what has been termed geoeconomics. It is in fact the economic reality that has experienced the most fundamental shift in the last couple of years. In the industrialised world, the so-called OECD countries have been lurching from crisis to crisis, starting with the banking crisis, followed by the financial crisis, the economic crisis and now the crisis affecting the euro. Newspapers these days make an insistent reference to the risk of multiple, sequential collapses: if banks collapse, will the economy collapse, and will the euro collapse too? And, if the common currency founders, will it also bring the EU down with it in the process?

So we now have a new word in the daily vocabulary: risk of collapse. Let us hope that this is not going to happen. But the industrialised countries that have had a major role in world politics for a long time are experiencing economic and financial problems of their own, which is bound to somehow affect their ability to retain the traditional role in world affairs. While economic growth in Europe is stagnating or

extremely sluggish and emerging economies grow instead at double digit rates, if this trend proves to be lasting, then it is only a matter of time for the economic output of major industrialised countries to be outreached. So, there are many new emerging actors on the world scene configuring a new international order based on a still ill-defined form of multipolarism. Countries like Brazil, Turkey, just to cite two, are playing a bolder role in the international arena, taking strong positions on issues which used to be the *domaine réservé* of superpower politics and policy.

Of particular interest is the issue of the evolving geopolitics of the Middle East and the connected questions of what role the USA will play in this new scenario, how its old alliances and partnerships will evolve, what will be its level of engagement, its choice of strategic partners, etc. Israel has presumably welcomed the recent Republican victory in the Congress elections and the setback for Obama that it represented. It is known that foreign policy has not played a big part in this election, but it has had its share of influence in the final result and will certainly weigh down significantly on the conduct of the remaining part of the Obama Administration. The Congress looks a lot different now, is certainly more Republican and therefore more conservative. Will this new internal balance of power strengthen the US commitment to its old alliances and to the protection of its strategic allies in the area or will this victory of the Republican and Tea Party people inevitably lead to a more inward-looking mood in present-day American politics and public opinion? Another important question hinges on the effect that the experience in Iraq and Afghanistan, once they are over, perhaps even next year, will have on the United States. Will it play out like a kind of post-Vietnam syndrome as in the 1970s? The answer to these questions will determine whether and how the USA will be able to keep its traditional role of international hegemon. These are just some of the questions raised by the new geopolitical patterns that need to be analytically explored and answered.

POWER POLITICS, INFLUENCE AND PROGRESS IN THE MIDDLE EAST AND THE MEDITERRANEAN: A NEW CONFIGURATION OF FORCES

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There are certainly many reasons to analyse the changes that are happening in the Mediterranean region and especially in the Middle East in the light of such a landmark moment for Euromed. Fifteen years ago, when the Barcelona Process was launched, the Mediterranean and the Middle East looked completely different from today. At that time, there was a lingering promise of peace in the aftermath of the signing of the Oslo Accords and some progress was being made between Palestinians and Israelis. There were promises of economic prosperity, political reform and regional integration. A time of high dreams, therefore, for the people of the Mediterranean and the Middle East. All those promises were born under the guidance of the United States, which had assumed a leadership position in global affairs after the end of the Cold War. Its leading role in the Middle East was manifested particularly after the first Gulf War that followed the Iraqi invasion of Kuwait. The USA seemed to want to help the region towards delivering on those promises. The EU, on the other hand, was also acting under American leadership, playing a complementary role for US policy in the region and I would argue that Euromed is a clear instance of this supporting relation between USA and EU policy in the mid-1990s.

That time also marked the peak of American and Western influence at a global level and the height of the moderate powers in the Middle East. Moderation was a norm in the Middle East during the mid-1990s, when everybody was looking forward to

departing from the policies of the past, of interstate conflicts, of government intervention in politics and economics and when hopes were high that the innovative dynamics of the peace process and the Barcelona Process for Euro-Mediterranean integration would work in favour of achieving those ambitious dreams. All those forces of peace, prosperity, reform, integration and change in the region converged with the unfolding Arab-Israeli peace process and the Palestinian-Israeli peace negotiations. And this was the litmus test for hope, as the success or the failure of the Palestinian-Israeli peace talks was likely to influence the fate of all the other dimensions of change. Indeed, this is what happened.

Fifteen years later, we see a different Middle East as the outcome of the intricate pattern of convergences and reconfiguration of forces. There is definitely a kind of radicalisation of Middle East public opinion, but one of a different kind to the mid-1990s. The public has been negatively influenced by the failure of the Middle East peace process and by the consecutive waves of military conflicts in Palestine – the Intifada –, in Lebanon, in Gaza. The rise of radical non-state actors – e.g., Hezbollah or Hamas – has also contributed to this phenomenon and the game-changing moment of 11th September is obviously an integral part of the puzzle. Even though al-Qaeda has somewhat been dismantled as an organisation, it has survived as an idea that still exerts an influence on the public attitude in the region, in a way that is by no means conducive to

peace, reform or prosperity. It is ample proof that the way the West – particularly the United States – acted after 11th September has played greatly in the hands of al-Qaeda and the radicals, while the influence of moderate governments in the region has been symmetrically undermined. In the mid-1990s the governments of Egypt, Saudi Arabia and other countries held sway in the region, which is no longer the case. The influence of radical powers and radical states is constantly increasing, with the case of Iran being the most outstanding.

There is a radicalisation in Middle East public opinion and a decline of moderate government

A kind of power vacuum followed the withdrawal or the weakening of moderate governments and this has allowed Iran and other radical forces to make strides in the region. The American invasion of Iraq was quite instrumental in bringing about major strategic changes that turned Iraq into a kind of playing field for Iran. The American policy vis-à-vis Syria has also had that sort of detrimental effect. Cornering Syria, the threats of regime change have pushed the country into Iran's hands, thus creating a kind of safe corridor running through Iraq and Syria that Iran is using to reach the Mediterranean, the Levant, up to the core of the Middle East in Lebanon. Again, this is not conducive to any kind of stability in the region. We are also witnessing the ascendance of the role of Turkey in the Middle East, but in this case it is more of a constructive kind as compared to the other countries and actors mentioned before. We know the reasons and the motivations that have pushed Turkey to look southward, towards the Middle East, but this is definitely some of the good news that we have in the Middle East until now, unless some domestic change in Turkey intervenes to change the country's foreign policy orientation. The decline of US influence in the Middle East region is one of

the key reasons behind this changing reality. The United States has played a leading role in bringing about moderation and hopes for peace. But the USA, because of the number of mistakes committed by the Clinton Administration, only failed to deliver on the promises. And then the hugely catastrophic policy of the Bush Administration in the aftermath of the 9/11 attacks caused a further decline in its standing in the region. Unfortunately, developments in the Middle East are to a great extent a function of global changes, and particularly among them the backsliding of US influence. As I have said before, this receding position of the former hegemon and of the West in general has opened the door to the rise of the new emerging powers. This is a kind of long-term process that has been taking place for a number of years now, but the current financial crisis has accelerated the power shift between the West and the East, and between the West and the emerging powers, all of which has again deeply affected the situation in the Middle East.

Here is another example of this change. While fifteen years ago the Middle East was in a process of integration and innovation, the same area is today on the road to more fragmentation, if I can put it that way. So we have a region divided between moderates and radicals, a region that is characterised by a greater gap between governments and peoples, by governments that fail to deliver on promises of reform and economic prosperity and that are falling back before the advance of those radical and revisionist forces that manipulate public opinion and create more reasons for division and conflict. I am talking about the Middle East but the same holds for the Mediterranean. I think we all agree that the Mediterranean per se is not a kind of a security complex in this part of the world, in the Middle East, but that does not mean that the Mediterranean and Euro-Mediterranean relations are not relevant in that regard. In fact, the Euro-Mediterranean relationship is an instrument that was developed fifteen years ago to address security and other concerns in the Middle East and it still has the opportunity to accomplish

the mission it was conceived for. Yes, we call it the Euro-Mediterranean relationship, but the essence of it is the Middle East, whose tragic reality further emphasises the importance of that process.

The essence of Euromed is to address security concerns in the Middle East

Despite all the difficulties in convening the Union for the Mediterranean summit and all its other predicaments, let us remind ourselves that we should not give it up, because the Euro-Mediterranean relationship is one of the few tools left to address the problems of the Middle East. Even though the immediate prospects were greatly scaled down, there are still opportunities for Euromed and there is an opportunity for the EU to play a role in the Middle East. First, there is a need to compensate for the weakened American role in the region, and the EU is the only candidate for acting in this role. In this regard, its opinions need to develop into some coherent policy, and we have had many ideas coming out of this conference.

The Middle East badly needs the kind of values that Europe is striving to bring in, as no other major international actor has the potential to contribute to this effort of "value export" in the area. Although we are seeing the expanding influence of countries like China, Brazil, India and South Korea, none of them can promote certain values, particularly those related to reform, democracy and human rights. Governments of the region are in the process of further diversifying their foreign policy orientation by establishing better working relations with China and in general with those rising powers that are not prone to making demands in favour of domestic reforms. It is true that some of those actors will definitely be playing constructive roles – Turkey for example, at least until today – but others might be reluctant to make similar contributions. It will ultimately depend on the constellation of forces at

the global level to determine the kind of policy that China and other major rising actors are going to pursue in the Middle East in the near future.

Yet governments cannot completely give up on Europe and Europe should take advantage of this dependence by furthering its role and its presence in the region by appealing to its people and political actors. Europe needs to make a more pronounced distinction between its policies and role in the region and that of the United States, without yet aspiring to replace the former leader, for the United States is not replaceable in the Middle East. The kinds of security concerns in the region, hard security issues, need to be handled by a power of the magnitude and of the clarity of the United States. What I am suggesting here is that the EU complements the role of the United States in a dynamic way, different from the kind of static support that was pursued by Europe in the past. We have put a lot of emphasis on the new trends in the region, but we would be making a mistake if we thought that all its realities became completely obsolete. The EU, through Euromed, has been instrumental in bringing reforms, not necessarily political, but definitely economic, and has also contributed to the GDP growth registered in a number of countries in the southern Mediterranean, as in the case of Tunisia, Egypt, Jordan and Morocco. The governors of these countries were willing to take advantage of the support of the EU and to use it to further reform their economic and legislative structures to create a more business-friendly environment. The EU needs to take active steps to consolidate these much needed reforms, all the more because of the failure of these countries to create home-grown reformist forces, especially in the realm of politics. And, again, I want to stress the fact that there is no other foreign country that can compensate for the eventual absence of the EU in this role. We cannot just expect it to be part of Chinese or Turkish policy in the Middle East. We would all lose out if the Europeans stopped supporting political reforms and started to emulate the Chinese and the other new emerging powers' limited focus on economic

development. Conservative or imperialistic forms of policy in the southern Mediterranean are still capable of bringing us back to where we were fifteen or even more years ago. We therefore need the added value of the EU and Euromed that we wrongly tend to undermine or at least to treat as unimportant.

There are limitations on Chinese influence in the Middle East. The kind of Chinese predator economic policy has already begun to create antagonism and alienate people in the region. The business community in the Middle East and in the Arab world is not concerned about competition with European products, but there is a lot of concern about competition with Chinese products. Even popular culture is starting to take sides against the counterfeiting and the low-quality of much of Chinese manufacture. China is thus seen as a competitor rather than an asset or a value. It is of course a trade partner but we should not understate the limitations of Chinese power, its different culture, the language, its lack of soft power, all of them limiting factors to Chinese influence in the region.

And, finally, I think we also need to shed light on the endogenous dynamics and essence of 20th century politics in the Middle East. There has been a struggle for power in the Arab part of the Middle East from the 1920s until today. There are a few possible scenarios here: we can either see a sort of competition between a regional and a global hegemon for the control of the region, or we can have some form of alignment of a moderate regional leadership with major trends and superpowers at a global level. This is the reality of Middle East politics today, and what we have now is a number of forces, particularly Iran and Turkey, trying to manipulate and control the Arab part of the Middle East. The Arabs show for the moment acceptance of increasing Turkish influence but it is hard to tell whether it will turn into a regional hegemon rather than a kind of progressive leadership. In any case, the role of external actors and the EU in particular, is still very important in Middle East politics and too much emphasis or exclusive emphasis on regional powers would not do justice to explaining Middle East politics.

NEW AND OLD ACTORS IN THE EURO-MEDITERRANEAN REGION: INTERESTS, BEHAVIOUR AND STRATEGIES

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Every few years we keep on talking about the emerging geopolitics of the Middle East or the Euro-Mediterranean region because it is changing all the time. What is referred to now as the new emerging geopolitics is the result of an increasingly multipolar world and of the combination of a number of crises. Those crises are taking place at the international, regional and domestic levels and they are affecting the actors that have traditionally had an influence in this part of the world. If we want to look at this dynamic in analytical terms, we need to take the following elements into account: actors, their interests, the means they have and use to achieve their goals, as well as their behaviour. We know for sure that the actors' landscape in the region is changing. There are old actors that have been around since 1995, but we also have a large array of new incoming external and internal actors who can influence events in the Middle East and the Mediterranean. Transformations have taken place for many reasons: globalisation dynamics and trends, international and domestic changes, and social frustration in some of these countries. To these reasons I would also add the underlying driver to most of these changes and dynamics: the catastrophic US involvement in the Middle East in the past decades, both under the Clinton Administration, but especially under the Bush Jr Administration, which has been weakening the US position and its hegemonic role in the region. The first element of analysis to look at is the group of actors involved in the region. A remarkable feature

of this group of actors, old and new, is their diversity across many dimensions. Obviously, we have the growing presence of states other than the traditional ones. But we also have non-state actors with their own stakes and interests that are trying to turn those changes to their own benefit. States from outside the Euro-Mediterranean region are already well known: China, India, Russia, Brazil, Japan, to mention just a few. From within the region, there are other actors that did not have a remarkable presence in the past, but that are increasingly gaining a relevant role: Iran, Turkey and the Gulf Cooperation Council countries with their investments, their influence, and their ideological capacity to shape dynamics that may change these societies from within. As to the second tool of analysis, the interests of these actors are clear to us. All these actors are looking for economic contracts, trade relations and investments, energy supplies, security for their nations and for their vital interests, and international prestige. Specifically, I think that prestige could also be one of the leading elements that may motivate interventions and stimulate actions by external foreign actors in the region, aiming at reasserting their presence at the global level or at regaining their past influence in the Arab world. A clear example of the latter is the case of Russia. Turning to the means and the behaviour adopted by these actors, we have a range of different strategies to look at. In the case of Russia, a combination of diplomacy and economic ties through the energy sector, but in other fields as well, is trying to restore

its prestige and its capacity of influence. China recurs to a very aggressive policy of investments in critical infrastructure in sectors like energy and raw materials, and we see this same recurring pattern of Chinese penetration at work in other parts of the world, in Africa and in Latin America for example. India is also looking for energy and markets, and maintains a strong alliance with Israel, one of the regional actors. And then we have those non-state actors – such as local organisations or resistance movements, but also transnational networks – that want to question the status quo and use different means and strategies, both non-violent and violent, to achieve their goals.

It is unclear if the new actors in the Euro-Mediterranean region have broad long-term strategies and the resources needed to sustain them

There is one thing that these new actors have in common, in my opinion, and that is that their strategies are far from clear, or at least it is unclear whether their presence, at this moment, is part of a broader, long-term strategy and whether they will be able to deploy all the means required for sustaining these strategies. All of this raises the following question: what kind of strategic outlook could be expected from the situation depicted above? One possible consequence is the emergence of new political and economic alignments; there are more actors, more interests and more rearrangements of existing relations, all of them in an endless flux of change. This competition for resources, markets and security may come in different forms, with a combination of cooperative or conflicting dynamics. Again, another thing is clear: the Mediterranean and the Middle East are going to become an increasingly complex scenario in which strategic dynamics will be more difficult to understand or even to predict. And it could be more prone to shocks and disruptions with one of the con-

sequences of those potential shocks and disruptions being an inevitable state of instability in the region. What can we say about the possible implications for the EU? Plainly speaking, the EU risks losing its power of attraction and there is a feeling that this is already happening in the southern Mediterranean and the Middle East. Unlike the EU, many of these new players are tied down by fewer constraints and they do not use a discourse based on values, human rights and other things that have been mentioned before. It is business, deals, interests and commissions that matters to them.

Regarding the USA, Americans will be increasingly unable to keep their role as the “strategic constant” in the region, which is the capacity to shape policies of almost all the other actors, and influence the behaviour of the rest. The interplay of new and incumbent actors could converge or collide on vital issues for each of them. And, again, access to energy and guaranteeing security are two of the most vital interests.

I often wonder whether we will see other countries, China and Russia for example, trying to pursue something similar to what is known as the “Carter doctrine”. Through the latter, the USA determined its vital strategic interests and made it clear that it would use all the means available to protect them, both at the diplomatic and military level. Maybe it is still too early to know if that is the scenario of the future, but it is something that must be kept in mind. And we can also further push the limit of our guessing, and imagine the addition of the “Reagan corollary” to the “Carter doctrine” whereby the protection of major allies like Saudi Arabia would also require the use of force against a threat coming from within or from outside the region.

Let me now point out a paradox when it comes to the EU and its role in its southern neighbourhood. The EU is helping southern Mediterranean countries to adapt their economies and their legal systems to the requirements of a globalised economy, to open up and to adopt new rules and practices. But it is becoming increasingly evident how this course of action is not only benefiting other external actors, who arrive in an environment where things

are becoming easier for their economic interactions and relations, but it is also undermining, in a way, the European presence and its interests. To put it differently, the EU is helping to set up certain conditions with the serious risk of “free-riding” by a number of other countries that will use the new “rules of the game” to their own benefit.

My last comment has to do with the Union for the Mediterranean. Since 2008 it became a new framework for multilateral relations between the EU and its Mediterranean neighbours, but it seriously risks contributing to the erosion of Europe's image and position in its southern neighbourhood. The reason is that

it could turn into a platform where the weaknesses of Europe – and we already know many of them – will be exposed and will be clearly identified by its southern partners. And those weaknesses, compounded by internal competition between Member States themselves, will end up affecting the stance of the EU as a whole. If the EU was constructed with the idea of gaining power, influence and strength through unified actions and a strengthened role of its Member States, the competition between them will not only lead to the side-lining of the EU and its policies abroad, but it will also spoil the interests of individual Member States.

THE UNITED STATES AND EUROPE BEFORE THE CHALLENGE OF CHINESE EXPANSION IN AFRICA

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When one looks into the wave of changes occurring in the Mediterranean, there is something that, in my view, has changed within continuity, and this has to do with US policy. I have always been working on US policy in the Mediterranean, most notably in the Maghreb, and the usual refrain is that the American focus and interests are mainly placed on the eastern part of the Mediterranean. This common vision does not hold anymore as a framework of analysis for understanding regional geopolitics and needs to be changed. The right perception, in my view, is that there is a redefinition of the US interest, in particular in the area of security, with a wider geographical scope that also includes the western Mediterranean. In other words, if we look at the Mediterranean as a space, not as a geographically limited area, this space has now moved south and has come to include new local and external actors. One example of this shift can be clearly seen in the Sahel where the US presence is probably justified by ambivalent interests. Beside the security reasons associated with this new concept of failed states, the “new Afghanistan”, al-Qaeda in the Islamic Maghreb and so on, there is, in my view, an interest in stopping the intruding Chinese influence, something that US officials usually refute in public statements.

The recurring idea coming from the Chinese colleagues and think tanks is that China has now come to consider Africa as its new own backyard. This is probably a choice made on the basis of geostrategic constraints, as China cannot extend its influence in

Central Asia – Russia is there and they do not want to confront it – and they do not want to be in Latin America, although there is some growing presence there too. As a consequence, Africa (and by extension, the Mediterranean) is growing in strategic importance for China. Coming back to the USA, the origin of the change does not go as far back as 1995, but it all started with the watershed event that is 9/11. Until 2001, the US perception was that the western Mediterranean was an area of marginal interest and was therefore left to the Europeans to deal with. But since 2001 the analysis shows a departure from that situation of indifference and the development of US bilateral and regional relations have followed a dual approach: economically with the ICSID initiative – it has not given up on this idea which is becoming even more likely following the rehabilitation and the rapprochement with Libya – but also politically. One innovative element that has perhaps gone unnoticed is the solid security relationship that has developed between the USA and Algeria.

In general, if you look at US involvement in the area, it is quite different from what it used to be; the USA has succeeded in building a military and security architecture in the Sahel region. One may therefore legitimately ask whether this new scenario is going to bring stability or whether it will generate more of the opposite. Personally, I would think that it might be the latter, despite the fact that the United States is now carefully stating that it does not want to inter-

ferre but to cooperate. It seems that an old concept in vogue with people of my generation, the notion of a proxy state, is now making a comeback on the shoulder of the USA: different key actors would again accept playing the proxy role for the USA in terms of defending the American interests. But what is intriguing me is the fact that the southern Mediterranean countries now have the opportunity of playing a new game vis-à-vis the powerful, either Europe or else, thanks to the presence on the scene of this bunch of new actors – important ones, if we look for example at China and what it is doing. It is also interesting to explore why China is popular and is gaining prominence in the region. To begin with it has never been a colonialist power and is perceived as belonging to the “South” of the world, in a geopolitical sense, thus breeding a sense of solidarity. If you are Algerian you know that China was one of the first countries to recognise the provisional government of the Republic of Algeria in 1958 without embarrassing themselves with De Gaulle like the Soviets did. Besides, there is the also widely held notion that the Chinese are coming to the region to bring development and prosperity.

China has now come to consider Africa as its new backyard

All of this raises questions as to the future nature of the US presence in the Sahel area, and on how Europe will be able to give substance to its new interest in casting its influence there. Although, it must be said, the Europeans are claiming to have a more interesting and effective concept on offer, consisting of combining development with security, whatever that means. I have to admit in fact that,

no matter how hard I try to investigate this issue, this whole European notion of externalisation (or export) of values to third countries is not so clear to me. To put it another way, Tunisians and Egyptians today are facing an interesting situation: here they have someone who will come to invest and to build, and who is very good at doing that. Anyone travelling through North Africa right now will not fail to see all the infrastructures built by the Chinese. Moreover and more importantly, China is a country that would come and do all these things without too many strings attached, without demanding anything in exchange or teaching lessons on the need to democratise, to overhaul the political system as a precondition to building business ties, etc. If we look at the situation from this angle, it is safe to say that what is happening is a sort of externalisation of Chinese values. It is a model that can be appealing to the countries of the region because, as the current findings of comparative politics shows, there is today a phenomenon of “new authoritarianism”.

Authoritarianism has proved to be resilient in the face of all the countervailing pressures and, as we take stock of fifteen years of the Barcelona Process, we can come to the conclusion that it has not brought about much change, that we cannot praise any country for having made some progress in human rights and democracy. Now there is an actor that offers the region an alternative model of development without asking for any political reform in exchange. To conclude, I think that it will be interesting to see whether some of these regimes might be seriously inspired by this model – indeed not too far from the actual Tunisian model – of a strong, not very democratic regime, but strongly committed to development, sustained by a good deal of financial resources, and already showing some tangible results.

THE NEW INTERNATIONAL ROLE OF TURKEY AND ITS IMPLICATIONS FOR THE MEDITERRANEAN REGION

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The focus of this contribution is on Turkey and its role in the region, as it is a commonly held notion that there is now a very different Turkey than before. The change is structural and cannot only be attributed to the current government. Domestically, Turkey is more democratic, paying tribute to the universal values, including human rights, more in peace with itself and much more emancipated from the taboos of the past that have hindered its democratisation for so long. Economically speaking, it is booming. Growth rates are close to those of China and you see Turkish firms and investments all around the world. Just as an example, one Turkish company, Yıldız Holding, has paid almost a billion dollars to take over the chocolate company Godiva. Civil society is also booming. Sixteen years ago there was only one think tank in Turkey's Foreign Policy Institute; today, in contrast, it is even difficult to count their number. Internationally, Turkey is active on all fronts and very much engaged with the problems of its neighbours. It has contributed to the formation of governments in Lebanon, in Iraq, it has reconciled differences with the Kurds in northern Iraq – Kurdistan is no longer a taboo in the country –, it has signed two protocols for normalisation of relations with Armenia and it has brought Afghanistan and Pakistan together.

Moreover, Turkey, together with Spain, plays an important role in challenging the Huntingtonian legacy with the Alliance of Civilization initiative. Now there are Turkish diplomats, academics and civil

society representatives posted in several international organisations, including the United Nations, NATO, the Organization of the Islamic Conference and, as a matter of fact, the Union for the Mediterranean. In a nutshell, Turkey is not indifferent to the world anymore. Turkish current government has been rather outspoken in various instances, and it was critical of the intervention in Gaza in 2009. And this critical stance has been acknowledged by the people in the region. According to the polls conducted in seven countries of the Middle East, the level of sympathy felt towards Turkey last year was at 75%. Prime Minister Erdogan is unquestionably celebrated in the Middle East and Foreign Minister Ahmet Davutoglu is a respectable figure in many corners of this region. It is in fact not only in the Middle East where Turkey is enjoying a diplomatic rebound. And it must also be emphasised that this sensibility towards the Middle East is not instrumental for EU membership. It does not even help to trace the roots of the less condescending stance on Israel back to the much cited Islamic background of the government. This very government has hosted Simon Peres in its National Assembly before the Gaza crisis. So I think that the explanation rather lies in the values embodied by the current Israeli government.

But there is more than the Middle East to Turkey's international projection: there are now new embassies in almost all the major countries of the African continent, while Turkish charities are open-

ing schools almost everywhere. As we saw during the MV *Mavi Marmara* crisis, some Turkish NGOs were able to launch a flotilla of ships with the aim of breaking the blockade imposed by Israel on Gaza. The level of development aid and humanitarian assistance to various countries has exceeded a billion dollars. It should also be noted that for Turkey the eastern Mediterranean no longer means only Cyprus. Ankara is certainly interested in finding a solution to the Cyprus problem within United Nations parameters, but the current Turkish interest exceeds the narrow limits of this historic problem in the Mediterranean and now also covers issues such as the stability of Iraq and Afghanistan, the increasing influence of Iran, the solution of the Palestinian problem. Any Israeli potential intervention in Lebanon concerns Ankara much more than the Cyprus issue. Cyprus does not pose a security risk for Turkey, but the other issues mentioned do. And most important of all, Turkey vindicated its autonomous posture in several instances, ranging from the US intervention in Iraq in 2003 to the current crisis

with Iran. It is a fact that Turkey, together with Brazil, secured a deal in late May to swap uranium with Iran despite the US opposition and resentment and that it has voted against the sanctions in the United Nations Security Council.

In a nutshell, it seems that all the major actors, including the EU, need to take Turkey into account in their dealings with the region. Yet this does not mean that Turkey will be the only remedy in solving all the problems of the region. But if its advice is heeded, if its interests are taken into account, Turkey can be instrumental and a decent partner to work with. Needless to say, we are far from that point. Despite all the promises, Turkey is treated as a special case and some countries of the EU prefer to hide behind the question of Cyprus in order to alienate Turkey from the membership process and several chapters have been blocked in the negotiations to hinder its accession. If this network is to survive, I hope we can also tackle the Turkey issue in more detail, since its membership prospects are likely to affect the geopolitics of the Mediterranean region.

EXPLAINING THE TRANSFORMATION OF TURKEY: DOMESTIC AND INTERNATIONAL FACTORS

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Turkey is a good topic to start any geostrategic analysis of the Middle East, because of this country's discovery or rather a rediscovery of the region and the attention it has attracted lately. Without going through the whole list of changes, it is possible to make a conceptual characterisation of the changes that have occurred from the 1990s to the 2000s in two respects. In the 1990s, we essentially see that Turkey's role in the Middle East was characterised by two features: a broad alignment with the West, mainly the US, which materialised through its support for the first war in Iraq and its participation in the post-war sanctions regime, mainly the no-fly zones, and, secondly, a military alignment with Israel and support for the Oslo peace process. At the same time, Turkish behaviour was also marked by quite a lot of aggression and confrontation: tensions with Iran, a near-war with Syria, regular military incursions in Iraq. This can be interpreted as a paradoxical situation and if we fast-forward to the present day, we essentially see that these two features have reversed.

First, Turkey obviously continues to cooperate with the West in many respects, but we also notice that Turkish foreign policy shows a level of independence which it did not possess in the past. Its rejection of the sanctions vote on Iran, its mediation, together with Brazil, to try to find a different solution to the stand-off on the Iranian nuclear programme, its open political channels with Hezbollah and Hamas, the deterioration of relations with Israel, the visa

liberalisation agreements against the dictates of the Schengen Area are all key indicators of this drive for a more independent foreign policy in the Middle East. But the multifaceted nature of current Turkish foreign policy goes even further and it is also marked by quite a lot more cooperation and attempted integration than the aggressive Turkey of the 1990s. We see that Turkey has established a number of strategic cooperation councils with countries like Syria and Iraq as well as trade and visa liberalisation agreements with Libya, Morocco, Jordan, and Lebanon. It is attempting mediation with all political sides and colours in the Middle East, within Lebanon, within Iraq, between Israel and Syria and Israel and Hamas: in short, it has essentially become a far more cooperative actor in the Middle East.

Many different opinions have been put forward to explain these changes. Let me just say that I do not think that questions relating to identity and ideology – read Islam – are a very important part of the story. This is not to say that they are not an element at all, but there are structural features which are far more important in explaining why Turkey has undergone this transformation in the Middle East. If one looks at Turkish foreign policy through the lens of Islam as the main explanatory factor, there are many things that we could not explain. It would leave unanswered the question of the U-turn on Cyprus under the current government, although it has not yet come to any substantial solution, or why there has been an attempt at reconciliation with Armenia at the

expense of Muslim Azerbaijan. There are further questions that would be difficult to answer adopting the Islam-driven explanatory factor: why has Turkey significantly improved its relations with Russia? Why is Christian Moldova the second recipient of Turkish aid after Afghanistan? And there are surely many other examples along these lines.

Structural explanations for Turkey's new foreign policy are more important than identity and ideological factors – read Islam

The most important reasons for these changes are economic and political in nature. If we take a step back in Turkey's history, there is a parallel between what is happening today, the opening and normalisation of relations with Middle Eastern countries, and the similar process of opening between Turkey and the former Soviet space in the 1990s. Specific adverse circumstances at that time, namely the conflict with Syria and the broad hostility with the Arab world, prevented the easing of tensions with its Middle East neighbours as well. Today, politically, Turkey has opened up, meaning that foreign policy-making is no longer the exclusive domain of a few actors – i.e., the Foreign Ministry and the military – but is now a contested and open arena populated by a host of other state and non-state actors: business and civil society associations, state agencies from different Ministries, the Interior Ministry, The Turkish International Cooperation and Development Agency (TIKA), etc. Public opinion plays far more of a role than it did back in the 80s and 90s and, of course, the economy also brings its weight to bear on the conduct of external relations. The fact that business associations and firms are pressing to enter markets in Turkey's southern neighbourhood is another key structural explanatory factor in Turkey's changing attitude.

What are the consequences of this radical transformation of Turkey's internal and foreign policy? A commonly repeated refrain in the United States is: "We are losing Turkey, Turkey is turning East." But my understanding is quite different as Turkey's eastward drive does not necessarily entail a drifting away from its western alliances. My slightly longer, more elaborated, answer is that what Turkey is doing in the Middle East, particularly from a European perspective, does actually offer many interesting possibilities. There are very important ways in which Turkey and the EU can be complementary on issues such as mediation, trade or visa liberalisation. One can even say that what Turkey is doing in its southern neighbourhood is in many ways reinforcing the European Neighbourhood Policy (ENP). The promise of the ENP was strongly centred on trade and movement of people, and this is what Turkey is actually doing in practice in its own southern neighbourhood.

Nonetheless, the complementarity and the synergies between the EU and Turkey cannot be taken for granted. They fundamentally depend on the progress of Turkey's accession process. There is enough evidence to say that the engagement with the EU played a fundamental role in explaining the political and economic domestic transformation of Turkey, which led to the materialisation of its current Middle East policy. Today, the accession process remains of the essence. Without it, Turkey's own domestic transformation can easily be derailed. Turkey will continue to evolve, but that transformation will not necessarily be as linear and as positive as it has been up until now. Furthermore, without the accession process, cooperation with the EU on foreign policy matters would smell too much of a privileged partnership. Without a credible accession process, Turkey will remain chilly about strategic cooperation. There are important signs showing that Turkey feels pushed away and offended by the EU, as revealed by the opinion polls, where support for the EU has been plummeting over the last five years.

MARKET DYNAMICS, STRATEGIC INTERACTIONS AND BALANCE OF POWER IN THE MEDITERRANEAN REGION

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My contribution starts with an attempt to regroup the countries that have been the object of speculations in this conference and that have been so far divided into two separate lists. The first one included Iran, Turkey and the Gulf Cooperation Council (GCC) countries, all of them supposedly sharing the characteristic of being emboldened actors in the Middle East. I think this categorisation is not very accurate as the link between these countries is somewhat misplaced. The second group of countries features India, China and South Korea. There are many reasons to believe that these groupings need to be reshuffled.

First of all it has been mentioned that there is a vacuum of leadership in the Arab world and I think that this is a well-founded observation. One example of this is the reluctance of Egypt in playing the role of a representative of the Arab world. And the opportunity to fill this vacuum has been seized by countries such as Iran and Turkey that have projected their interests and influence in the region. This actually means that the GCC countries do not play a political role in the Middle East and that they should therefore be excluded from the first group of countries mentioned before.

Nonetheless, when talking about Iran, I have the impression that its influence is exaggerated or, at least, slightly overestimated. Iran is in a state of internal turmoil; it is still apparently quiet, but the internal strife in Iran is very visible: public opinion and the country leaders are constantly locking horns and this runs against the extension of Iranian politi-

cal influence in the region. Moreover, the balancing actions committed by the Arab actors must also be factored in the overall equation of Iranian power. All things considered, there is not enough evidence for the other countries in the region or the EU to be afraid of the influence exerted by Iran.

In the regional balance of power we must include a strong and affirmative Turkey. The equilibrium between Iran and Turkey – the two countries proposing very different models of regional leadership – is actually a positive element because it may function as a source of stability in the region. Basically, it is Turkey that has taken the wind from the sails of Iran by winning the hearts and minds on the Arab street, and it has now positioned itself as the strongest actor in the Middle East.

The competition between Iran and Turkey can thus become the decisive factor in the regional dynamics, because the two countries represent two rival narratives now existing in the region – sunni vs. shia, democratic vs. autocratic etc. It may be that Turkey is looking for some kind of policy compromise between containing Iran on the one hand and soft engagement on the other, taking into account the ambitions of a regional rival that cannot be erased from the map in one stroke. In fact, I would say that Turkey has the same strategic posture with regard to China although the two emerging countries have recently upgraded their relations to a strategic partnership.

This brings me directly to my third point, which is to dust off the books of Adam Smith and the met-

aphor of the hidden hand of the market to make sense of the interests and the behaviour of actors like China, India and South Korea in the Middle East. The case of China is a glaring one: the Asian power is strengthening its cooperation with Turkey, Iran and Syria – just recently one of the top political advisors of Prime Minister Wen Jiabao planted olive trees in the Golan. China has also won oil contracts in Iraq and it is becoming an important player in Afghanistan, Pakistan and Latin America. It is tempting to think that it is all about economics and that, unsurprisingly, China's position in the Middle East only reflects its global economic standing. It is not likely that, for example, if the EU and the USA had engaged Syria before, Chinese-Syrian relations would have not developed to their current level. Perhaps the relation would have been slowed down but it would still exist. The good relations between China and Syria are only bad news if we take as measuring rod the objective of isolating Syria, which, by the way, does not make strategic sense, in my opinion. Europe is shooting itself in the foot, or at least the USA is, when imposing sanctions or enacting the Syrian Accountability Act.

The equilibrium between Iran and Turkey functions as a source of stability in the region

Another question concerns what can be done as an alternative to this course of action. From what I have just said, it is clear that there is no need to panic that Iran will take over the Middle East in concert with Turkey. Considering that the EU is still the major trade partner of most Middle Eastern countries and that the world order will develop gradually and tends to balance itself, it is likely that we will witness a gradual economic and political metamorphosis into a multiplayer engagement in the region reflecting existing global power relations.

What should be the responsible answer of the EU to this new scenario? Are there reasons to assume that the EU will respond by adopting an engagement strategy or not? The EU will very likely remain split and divided, reaffirming once again one of its major weaknesses, its incapacity to speak with one voice on the major challenges in world politics. This is the second big deficiency of EU foreign policy, the first being its dependency on US policies in the region. The EU is being constantly ignored in Washington on the Israeli-Palestinian issue. The EU should then start worrying about it, because, among other things, we are allocating around one billion euros a year for the Palestinians, which is a significant financial commitment, which the USA also depends on. Another point to be made about the EU regards the newer member countries. There is a role for Poland, a Member State that will hold the Presidency of the EU in the second half of 2011. Poland should initiate actions that fly in the face of the perception of Polish incompetence, or only partial competence, in Mediterranean affairs. Poland is getting ready to show that it is not only an active player in the eastern partnership, but that it also cares about the European Neighbourhood Policy southern dimension. Finally, the last point, and possibly the most important, is about education and knowledge. The EU has been investing in this crucial area and has developed a sort of qualitative edge over other external actors when it comes to micro-level cooperation with the Middle East. But it should at least double its efforts. The 2010 Arab opinion poll that Shibley Telhami conducted at Brookings Institution shows that, on the one hand, people in the Middle East are not afraid of the Iranian nuclear programme but, on the other, when asked where they would like to live, work or study, the answer is Germany and France! This is the kind of tremendous advantage that the EU still holds and it simply cannot afford to waste it.

KEY ELEMENTS FOR UNDERSTANDING CONTINUITY AND CHANGE IN ARAB POLITICS

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My contribution will be articulated on three levels. It is useful to start with the conceptual level defining the issue of emerging geopolitics, and in particular the rise of new actors in the region. However, this level of analysis is of limited use, because when we deal with the rule of state we should also extend our analytical scope to include the historical background. Turkey is not a newcomer in the region, nor is Iran, and I would also exclude China from this category, contrary to what is commonly stated by many commentators. All these actors have a long historical trajectory in the region, and if we want to grasp the meaning of the current situation we should have a look back to its historical roots. It is more fruitful to turn our attention instead to the "rules" followed by some of these actors, starting with the Gulf Cooperation Council. The concept of behavioural model or rule probably made analytical sense up until the 1990s, but any serious discussion about the Gulf Cooperation Council should take into consideration how the challenges that it is now facing have created a new set of rules and different standards across the region: the Qatari rule, the Saudi rule and the Emirati rule. This is all the more important if one is to answer the question of the regional dialectic between cooperation and conflict.

For those who are acting on the ground, it is difficult to make an explicit and unconstrained choice between cooperation and conflict: these are two theoretical extremes while, in the real world, politics usually stands in the middle and determines

the swing from one point to the other. It follows that we should probably reformulate our common understanding of the emerging geopolitics in the region. The last consideration about this first level of analysis concerns the influence of foreign actors. It is a delicate issue and it shows that the domestic actors are not doing enough to keep external influences out of the region. If one wants to stick to the facts and be realistic, it is undeniable that the region is influenced by foreign actors.

The second level of analysis hinges on the question of whether these influences are having a positive or negative effect. To start with, this is really a kind of value judgment that needs to be made on the basis of a proper consideration of the real consequences of these external influences and the ties between foreign and local players. Among the local players, it is important to acknowledge the rise of non-state actors. This has not yet reached its peak; there will be other non-state actors that will come on stage in the coming period. In Iraq a host of non-state actors will necessarily surface as soon as the contending parts agree on the formation of a new government. Another analytical element relates to the recurring argument about the opposition between radicals and moderates. This way of reasoning, in my opinion, does not really fit the dynamics of the region. For example, while Saudi Arabia is usually considered one of the moderate regimes, Arab intellectuals have held for decades a very different opinion of this country, considered as an extremist regime

whose ideas are not accepted by most people in the Arab world. And the reason underpinning this common assumption on the moderate attitude of Saudi Arabia is simply to be found in its stance on certain issues. Another example of the opposite sign is the one about Syria, which suffers instead the stigma of being a radical regime, which, at least in my opinion, is actually not true. And when we comb through the achievements of moderate and radical regimes, we would find that none of the moderates have been able to carry out reforms in their countries and none of the radicals have so far made good on their promise of liberating their occupied territories, so that, at least in this respect, they are very similar, they are both underachievers. There is consensus on the fact that the main deadlock between Europe and the region is the Palestinian problem. We cannot depoliticise Euromed relations, unless we solve this problem. We hear a lot about possible solutions, many people in fact believe that it is quite feasible to reach one, but it needs to be stressed that any solution that is not fair will inevitably be a temporary and not a permanent one.

My final reflections contemplate the suggestions that have been made about the opportunity to pro-

scribe some regimes and non-state actors. This can turn out to be a backfiring strategy that would give the targeted enemies more leverage at the level of public opinion. The region lacks what we could call a "rational resisting voice" that speaks about resistance in the region not in terrorist or violent terms but in a rational way. Moreover, I do not think that policy makers have the necessary political authority to make sudden decisions about change of alliances in the region. Alliances are not formed overnight, but they are built upon a common ground and a set of common interests; until we create a common understanding among actors that are serious about seeking and developing peace in the region, regional alliances will stay the same. So this is the blueprint for breaking the deadlock in which the region seems to be stuck: we need to create a common ground and common interest between different actors (not all of them of course, otherwise we would be talking about an unrealistic world) and we need to empower the well-meaning regional actors, because the change will come from within the region, not from outside. Having a rational resisting voice in place is a necessary condition to prevent the Arab world from falling prey to al-Qaeda or other terrorist ideas.

**THE UNION FOR
THE MEDITERRANEAN
AS A “UNION
OF PROJECTS” TO
STRUCTURE THE
EURO-MEDITERRANEAN
REGION**

A UNION OF PROJECTS: LESSONS LEARNED FROM EXPERIENCES IN THE EURO-MEDITERRANEAN SET-UP

Tahar Sioud. Former Minister of Trade
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Since 1969, Euro-Mediterranean relations have gone through different phases, during which the different actors have, in each instance, sought the new paths required for cross-Mediterranean cooperation. Justly, EuroMeSCo meetings are an occasion to listen to many ideas to find paths, but that creates a feeling of imperfection that the Euro-Mediterranean process is not ready to take off. Each and every one still has weaknesses and responsibilities. The responsibility of the countries on the southern shore of the Mediterranean is clear. There is political will, but it is not as visible as it should be and still appears reluctant. This impression is a fact, but it should be nuanced because the countries of the South have real political will to anchor themselves to the European region. The demands for an advanced status are proof of this engagement as in this way the southern countries can build a responsible link to Europe, which is its central partner and a potentially influential actor in the Mediterranean region. Moreover, Europe's future economic growth will come from the Mediterranean as greater interdependence exists between the two shores.

However, there are palpable constraints on the southern neighbours. The choices made by these countries based on their own interests do not facilitate reaching perfect agreement or forming a single front. However, the southern countries cannot move faster than the prescribed speed and have to be realistic. Europe began through the European Coal and Steel Community (ECSC) and then moved on to

Rome. It started as 6 countries but has now reached 27 over a period of fifty years, thus becoming a united Europe. European construction has been successful as must the Euro-Mediterranean construction for the southern countries.

In that context, Europe must lean on the leading role that countries such as Tunisia can play. Tunisia has already launched a process, in particular the Group 5+5. This group continues to work without problems, to hold meetings and continue to take positive steps, and is the proof of positive and legitimate interaction between the South and North. If major projects are completed within the framework of the 5+5, this could serve as an example and encourage the rest of the southern countries to follow suit. The 5+5 dialogue is a partnership model that could strengthen solidarity between the two shores of the Mediterranean, reminding us that we have defined the structure of the Union for the Mediterranean (UfM) but not its content.

The situation is also unclear in the North. Who should the southern countries address: the members of the European Union? Will Lady Ashton's services take charge of the relationship and structure of the UfM, or will it be representatives of the Member States? We will probably have to be patient as Lisbon is not yet fully implemented. Nevertheless, the situation must be made more explicit so the people of the South have a clear vision.

Furthermore, questions are being asked as regards the establishment of the UfM's Secretariat General.

Will it be limited to the projects or will it truly have the option of coordinating and bringing together the efforts made in both the South and North for the UfM? The allocations defined and specified so far do not foresee a Secretariat General equipped to take the lead. In this regard, returning to the idea of a certain country would be the lesser evil in order to achieve our objective of establishing cooperation and interpenetration between the South and North of the Mediterranean.

Europe's future economic growth will come from the Mediterranean as greater interdependence exists between the two shores

As regards pursuing pro-development programmes, the UfM should be seen as a union of projects. In this specific framework, the sectors where we can act in the future must be defined, overcoming the political difficulties that pose a major obstacle to all efforts on the Mediterranean level and to the UfM. Certain ideas have been put forward in this regard for a number of years. First, the idea of a Mediter-

anean Development Bank in conjunction with an export guarantee fund as a measure supporting economic interpenetration. The environmental and infrastructure ideas proposed within the 5+5 also included a Mediterranean Agency for the Motorways of the Sea. This could become a UfM project. These sorts of projects are additions to relations between the North and South. This shows that we can establish a union of projects, although the UfM is still experiencing very difficult conditions.

Politically, there is one essential factor that should be highlighted: to a relatively large extent, Europe is responsible for this blockage. The EU is finding it difficult to surmount the Middle East crisis, a difficulty which is blocking the process. This obstacle remains one of the main stumbling blocks in Euro-Mediterranean relations. The nations of the Euro-Mediterranean region tried to address the political dimension some time ago. A Euro-Arab dialogue was launched and the Oslo and Madrid processes were conducted. These are our achievements; history is not a never-ending story of false starts, but we must persevere in order to achieve positive results, in order to transform the Mediterranean into a haven of peace, an element of agreement rather than one that highlights differences.

PRIORITY PROJECTS FOR EURO-MEDITERRANEAN MATTERS: THE ADDED VALUE OF EDUCATION

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History teaches us that we fail to learn its lessons and are doomed to repeat the same mistakes. When examining the Union for the Mediterranean (UfM) project, we must ensure that the context, text and pretext are taken into account. In other words, the UfM project must be viewed in the light of the global, regional and local geopolitical context and we must analyse its founding documents and texts but, above all else, we must analyse the pretext and its declared objects, its goals and agenda. Three points are fundamental to this analysis: 1) the context, the 2000s; 2) Europe's neighbourhood and what is understood by the phrase "European neighbourhood" and 3) what projects are not UfM priority projects? A decade marked by significant geopolitical transformations is coming to a close. The year 2000 began with the failed negotiations between Mr Bakar and Mr Arafat led by President Clinton. That marked the end of the peace process and, one year later, the second Palestinian Intifada began. The idea of Europe organising its neighbourhood first appeared in European political discourse in 2002. In December of that year, Romano Prodi spoke for the first time of a "Ring of Friends" at the University of Louvain-la-Neuve. Within the context of enlargement, this expression refers to a Europe surrounded by new neighbours and a Europe that seeks to prevent instability being imported from those new neighbours while, at the same time, exporting its prosperity, standards, rules and what is known as "everything except the institutions."

The European Neighbourhood Policy (ENP) was launched in 2003. 2004 saw it extended to ten countries in the East and Mediterranean. In 2005, a new set of perspectives came into force and, at the same time, Europe was preparing for its most recent enlargement, which took place in 2007. In 2006, Hamas was declared the victor in the Palestinian elections, with Europe's subsequent refusal to work with it, which contributed towards radicalising Hamas and its taking control of Gaza in 2007. Europe's attitude has cast a shadow across its democratic discourse which demands that the Arabs democratise and then fails to recognise the electoral results where they are not to the liking of the Union's authorities or those of its Member States. In 2007, Rumania and Bulgaria became members of the EU, thus extending Europe's frontier further East to 22,000 kilometres of new external borders. Through this enlargement, Europe became exposed to a new, expanded geographical area stretching from the Baltic practically to the Mediterranean.

The attacks of 11th September 2001 in the United States had a dramatic effect on the West's collective view as regards its relations with and perception of the Arab and Muslim worlds. In 2003, the US invasion of Iraq wrought dramatic consequences on European divisions as some European states, including Mediterranean countries such as Italy and Spain, backed America while France, Belgium and Germany took a far more reasonable position because, as Mr Chirac said at the time, the war would have catastrophic consequences.

All of these elements must be considered, from a local, regional and international perspective, when examining the UfM. In this regard, we must mention that the United States signed a free trade agreement with Jordan at the beginning of the 2000s and a second, similar agreement with Morocco in 2004. What is new in this is that non-Mediterranean actors are now playing an important security role and becoming involved by signing free trade agreements. These agreements worried the European Union as “the United States was stepping on our toes and interfering in our backyard,” as a French author remarked. For many years, Europe regarded the Mediterranean as a captive market given the intensity of its exchanges with the countries of the region but other actors are now on the scene.

For many years, Europe regarded the Mediterranean as a captive market but other actors are now on the scene

Beyond the United States, further actors are now also present. In Asia, China has become an important exporting country, and India is also awakening to the importance of the North African market, especially the Mashreq market. From 2002 onwards, and probably pushed by his Lebanese and Palestinian advisors, Lula's Brazil held the so-called Arab World-Latin America summit in Brasilia in 2005. A second summit was held in Doha in 2009 which bears testimony to the Latin Americans desire to penetrate the region and play a significant role, reflecting Brazil's new emerging power. The figures make things clear: whereas at the beginning of the decade Brazil's trade with Arab countries stood at two billion dollars, by the end of the decade it had grown to twenty-two billion dollars. That shows the importance of Brazilian exports. Naturally, European nations have watched all of these events with a certain amount of concern. It is that concern that led Nicolas Sarkozy to launch the UfM project dur-

ing his election campaign. We could ask ourselves why Nicolas Sarkozy chose to make the Mediterranean one of the central thrusts of his electoral campaign at a speech given in Toulon, a traditional heartland of the French far right. The answer can be found in the Vincennes report published in 2007 and written by French diplomats and intellectuals in an attempt to reinvigorate French diplomacy, which was considered dormant and taken unawares by the involvement of external actors.

Secondly, the neighbourhood concept is a fundamental point of this analysis. The southern shore of the Mediterranean is Europe's neighbour, but it contains neighbours of different natures, with statuses and ambitions. Some of these European neighbours will become members of the Union and some of them are membership candidates or potential membership candidates. However, some of these neighbours will not become candidates, probably the Caucus nations, such as Azerbaijan. Furthermore, there are some southern countries that will never be candidates. Europe naturally gives preferential treatment to those neighbours with a European vocation. That is why, from the 2009 Prague Summit onwards, the Hungarians, the Czechs and Poles advocated an eastern partnership. However, a European policy favouring the East over the South would be a bad choice. Just as an eastern partnership now exists, a strengthened southern partnership should be set up, a partnership that may lead to deeper regional integration. The eastern and southern neighbourhoods must be compatible; a win-win game.

Although Europe still considers its Arab neighbourhood as unstable, it is seen as a source of considerable opportunities. That is why the UfM project has been created. To a certain extent, this project corrects the ENP, which was seen as too bilateral in nature and founded on differentiation, action plans negotiated with the European Commission and financing through the neighbourhood instrument given to each country. This funding is not distributed equally proportionately to population, but in a differentiated manner in accordance with each

country's progress towards reforms. That is why the advanced status awarded to Morocco is not only a reward for its efforts to date but an encouragement to continue down the reform path and an incentive to other countries to follow it.

A feasible proposal is the creation of Euro-Mediterranean schools of excellence around the Mediterranean based on proven added values

The third point of analysis is a reflection on the projects not included among the UfM's priorities and which are of utmost importance for Euro-Mediterranean matters. It is true that the six priority projects are absolute requirements. The energy dimension, for example, is an essential European requirement. Algeria's gas pipelines cross Tunisia and Morocco to supply European economies but practically none of the Maghreb countries benefit from these pipelines. The southern Mediterranean countries use least gas of any in the region despite being rich in gas resources. The water project is also a natural priority. Water is a fundamental issue for Mediterranean countries and is not limited to its physical availability; rather it also covers joint management, non-conventional water, desalination and the treatment of waste water. These projects require considerable resources and infrastructure.

However, many priorities have not been considered. The region is facing several major challenges; first and foremost employment and, more specifically, youth employment. In certain countries youth unemployment among 15 to 24 year olds exceeds 25-35%. This situation requires an average growth of 7-8% for 10-15 years to create between 5 and 7 million jobs. Given this problem, the major projects requiring major infrastructure are not job-creating projects. What is needed is the re-invigation of

small and medium-sized enterprises as they create youth employment. To do so, a small and medium-sized enterprise agency is required as is putting the necessary funds in place to develop this sector.

The second project that has been overlooked is mobility. It is unjust to create a free trade area where everything except people can circulate freely. From the Mediterranean point of view, immigration is increasingly seen through the prism of security. Immigration has been criminalised as if immigrating were a criminal act. Moreover, certain articles turn “the fight against illegal immigration, terrorism and drugs trafficking” into a single issue. Illegal immigration is not a criminal act because there are young people willing to brave all of the barriers to reach what is perceived as the European El Dorado. Rather, trafficking by smugglers, who are criminals, is the trafficking we should combat ruthlessly. Furthermore, Europe is now outsourcing its borders and using the Maghreb countries to police the European Union's frontiers. Obviously, Europe cannot throw its doors wide open; that would be irresponsible. However, nor can it double lock those same doors. Doing so would be inhumane as regards the Mediterranean area. Thus responsible and humane management is desirable.

The third problem among southern countries is food security. Generally speaking, Arab countries import more than half of their food, representing between 35 and 40 billion dollars of agricultural imports. This situation is untenable. The underlying problem is that Arab countries are mono product exporters, either natural resources or agricultural products such as cotton. The solution lies in expanding the region's product range, which requires research centres, technologies and industrial clusters from a responsible regional perspective. The Moroccans have begun working in this vein, but the regions must have the necessary means. That is why the participation of UfM cities and regions is of the utmost importance.

On the one hand, education is a fundamental issue for development around the Mediterranean. In

this regard, a feasible proposal is the creation of Euro-Mediterranean schools of excellence around the Mediterranean based on proven added values. For the sake of example, if Montpellier is considered a centre of agricultural excellence, it should be labelled a Euro-Mediterranean school of excellence and, at the same time, be endowed with the resources to give one hundred doctoral PhD stu-

dents scholarships. All fields should be considered: heritage, textile design, agriculture in arid regions, solar power and desalination, etc. The creation of schools in all of the countries involved, just like the European schools, is an instrument that would allow the Euro-Mediterranean University to play a role as a network of networks and to provide stimulation.

ENERGY ISSUES AND THE PROSPECTS OF THE MEDITERRANEAN SOLAR PLAN

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In the following contribution I will analyse the most ambitious projects in one of the areas of intended action by the Union for the Mediterranean (UfM), which is energy. The projects in question are intended to generate power from renewable energy sources, solar energy to be more precise, but before going into more details, I would like to make an important comment on one issue regarding fossil fuels, and in particular Algerian gas exports into Europe. Contrary to some of the opinions that have been expressed in the conference, the use of natural gas in North Africa is by and large not much lower than in the EU. The experiences of Tunisia and Morocco as transit countries for Algerian gas supply to Europe has been completely different though, in that Tunisia has made the most of its transit status since the entry into operation in 1983 of the Transmed pipeline that goes into Italy through Tunisia while Morocco has completely shunned the same opportunity. Tunisia not only decided to receive its transit royalties in kind, that is in gas rather than in cash, but it also decided to contract additional imports of Algerian gas. That means for example that the share of gas in Tunisia's primary energy consumption is close to 50% – against about 25% in the whole of the EU – and the share of gas in Tunisian power generation mix is over 70%. In Morocco in contrast, when the GME pipeline came into operation in 1996, the government decided to receive its transit fees in cash. It also needs to be said that at the time Algeria, Morocco and Spain decided to go ahead with the pipeline

in the late 1980s, the decision to build the pipeline through Morocco was made in the hope that it would contribute to the project of regional integration. The Algerians had the technical possibility to build a pipeline from Algeria directly to Spain but, in the end, it was decided otherwise and to include Morocco in the route of the Algerian gas to Spain.

Until today Morocco does not buy any Algerian gas and the reasons for that are well known. Morocco does not have gas reserves of its own and this resource only represents a very small percentage of its primary energy consumption. It is true that in 2005 Morocco opted for receiving part of its transit royalties in kind to fuel its first gas-fired power station and that in 2010 it augmented the use of its transit fees in gas to fuel its new hybrid power plant at Ain Beni Mathar. This means that the share of Algerian gas in Morocco's power generation mix is still fairly small considering that the two plants fuelled with that gas have a combined power capacity of about 800 megawatts and Morocco's total power generation capacity is about 6,000 megawatts. In legal terms, Morocco receives its transit fees from the owners of the transit section of the pipeline, namely Spain's Enagás and the Portuguese Transgas. Morocco refuses to import gas directly from Algeria, meaning it has no gas trade contractual relationship with Algeria, which has totally precluded the confidence-building potential of the GME pipeline. This explains why Morocco has been considering building a one billion dollar LNG

receiving terminal to buy LNG from other suppliers rather than buying its much needed gas from Algeria. This choice does not make any economic sense, given that the neighbours' gas would be delivered at the border at a very cheap price and that Algeria is beyond doubt a reliable source of gas. Thus, Morocco's persistent calls for Algeria to open the border for the sake of regional integration are inconsistent with its own policies, which in their own way have effectively sabotaged a project of regional integration "par excellence" – the GME pipeline. The issue of renewable energy is of special importance to the analysis of the impact that the Mediterranean Solar Plan (MSP) is likely to have on Euro-Mediterranean energy cooperation. The MSP is one of the priority projects of the UfM and it is safe to say that no sooner was it promulgated than it became the flagship project of the UfM. The momentum it has gathered since 2008 has outpaced all other substantive and institutional aspects of the UfM agenda. It reflects the revival of interest in the Middle East and North Africa's well-established, vast and unexploited solar resources, the best in the world according to the International Energy Agency, especially in North Africa. Its stated aim is to develop 20 gigawatts (GW) of new power generation capacity in the region, based mainly on solar but also other renewable energy sources such as wind. It also focuses on the improvement of energy efficiency in southern Mediterranean countries and purports to promote a Euro-Mediterranean green electricity market through the reinforcement of the existing electricity grid interconnections within and between the two shores. My argument is that it is very likely that it is going to be "third time lucky" for Euro-Mediterranean energy cooperation, meaning that while the Euromed Partnership and the European Neighbourhood Policy (ENP) failed rather conspicuously to promote meaningful regional energy cooperation in the Mediterranean, the UfM, through the MSP, is likely to fare much better, and the reasons for that are twofold. First, the favourable context in which the MSP has been introduced and, second, the fact

that the challenges faced by the MSP necessarily require greater cooperation between the countries of the region.

Morocco does not buy any gas from Algeria, sabotaging an important measure of confidence-building between the two countries

It is necessary here to revisit the story of the previous attempts at developing Euro-Mediterranean energy cooperation. In short, policies aimed at energy cooperation were spurred by the EU in 1995 in the form of the promotion of EU market norms for southern Mediterranean countries. There are three reasons why the EU chose this market-based effort. To begin with it was an exercise in external projection of its constituent norms. Secondly, the logic of market liberalisation is the EU's most potent negotiating tool in international energy relations, in the sense that the opening up of the EU market is also believed to lead to greater access of European companies in third producer countries. Finally, there was also the hope that market liberalisation would lead to the convergence of Member States' foreign policies around a unified set of guiding principles, at least in important issue areas like energy. In more concrete terms, the Euro-Mediterranean energy cooperation under Euromed and the ENP led to a number of highly institutionalised initiatives. However, these had very little visible impact and received little enthusiasm from the southern Mediterranean countries, especially the energy exporting countries. The southern Mediterranean countries in fact perceived those policies to be prosaically narrow and obsessed with norms and regulations while they were expecting a more ambitious and strategic approach. Moreover, it also turned out that there was no uniform commitment from EU Member States to the market norms that the Union was promoting, as was demonstrated by the issue of the unbundling of vertically integrated energy companies and the

experience of downstream access for non-EU gas companies such as Gazprom and Sonatrach. In contrast, the MSP has so far received near-unanimous cross-sector support from stakeholders based on both shores of the Mediterranean and in particular from industry. The emergence at around the same time (2008) of the private sector-led Desertec initiative is testimony to the improving commercial viability of renewable energy, in a way that has also spilled over to the MSP intergovernmental initiative by somewhat indirectly granting it more credibility. The fuzzy relationship between Desertec and the MSP has certainly generated some doubts and has raised the question of whether there is a sort of implicit competition between the two projects, which are backed by Germany and France respectively. The interest of the EU in the MSP can be characterised as being primarily political and it relates to issues of security and diversification of energy supply, which is a long-standing priority for the EU. This is now enshrined in the EU's legal 20/20/20 commitment and the 2009 Directive on the promotion of the use of renewable energy. As is well-known, it is now a legal requirement for the EU to reach its self-imposed targets on the use of renewable energy and the improvement of energy efficiency, a fact that also stems from the EU's attempts to play a leadership role in the incipient international climate change agenda. For the southern Mediterranean countries, on the other hand, the motives for showing enthusiasm for the MSP are related primarily to economic development and energy market issues. First, the prospect of depletion of conventional fossil fuel reserves, at least in the petroleum exporting countries of the South, is no longer a distant prospect but a looming reality. Egypt is at the forefront of those petroleum exporting countries that are increasingly facing a shortage of fossil fuels and may become an importer of gas very soon, so is Algeria and to a lesser extent Libya. According to all available evidence, the post-oil era is just around the corner. Second, there is the issue of the growing energy demand in these countries, driven of course by a

sustained population and economic growth but also by wasteful consumption patterns encouraged by generous pricing policies pursued by governments in the region. Consumption of energy in the southern Mediterranean countries is expected to continue to grow until 2020 at a high average annual rate of about 6%. The third interest of southern Mediterranean countries is the consolidation of the efforts to promote access to modern energy in remote rural areas and also the opportunity to make an economic leapfrog by developing indigenous green industries, attracting investments, creating jobs, and, for the petroleum exporting countries, diversifying their economy. To sum up, there is enough evidence to say that the interests of both the EU and the southern Mediterranean countries are increasingly concrete, practical and more complementary.

Energy cooperation has so far generated little enthusiasm in southern Mediterranean countries

But there is always another side to the coin, and this is the fact that the MSP faces serious challenges. First, there is the issue of the relationship between the MSP and the national plans that the UfM countries need to produce. The overall impression is that the MSP is just a framework that needs to be substantiated by the respective national solar plans of the southern Mediterranean countries. Second, there is the problem of cost. The Facility for Euro-Mediterranean Investment and Partnership (FEMIP) estimates the amount of generation capacity of the projects announced by southern Mediterranean countries at about 26 GW until 2020. That is slightly more than the 20 GW target of the MSP but the point is that only about 2.2 of the targeted 26 GW are at an advanced stage of planning or implementation and only 0.6 of those 2.2 GW have secured a financial plan. It is evidently very expensive to finance the MSP. The range of estimations

presented by agencies like FEMIP varies between 38 to 47 billion euros over the next 10 years. Of course, the final cost will depend on the technology mix that will be used, consisting of different proportions of solar, wind and hydro energy and to a certain extent also on the technological advances that are expected to be made in the future.

Having said that, this cost needs to be put in perspective, because, as the Observatoire Méditerranéen de l'Énergie estimates, 320 billion euros of investments will be needed anyway in the power sector in the southern Mediterranean countries until 2020 to keep up with the growing demand. The share of investments in renewable energy within this huge total will definitely be a function of its commercial viability and the perspective of becoming cost competitive compared to power generated from conventional sources. Public funds will necessarily have an important part in the financing of the project although, among the southern members, only Algeria has so far put in place a fund for the development of renewable energy fed through its petroleum fiscal receipts. And a lot of the costs of these investments will necessarily have to be covered by private funding, raising crucial issues of regulation, rules and business environments in the southern Mediterranean countries. A third crucial source of funding will of course be the international financial institutions, such as the World Bank, the African Development

Bank and the European Investment Bank. Last but not least, the point of developing solar and renewable energy in the Mediterranean is to largely export part of that energy to Europe. The issue of interconnectivity and synchronisation of grids between the North and the South is also likely to be quite costly and difficult to implement.

To conclude, the potential of the MSP in helping the Euro-Med region meet its challenges in terms of energy security, economic development/diversification, climate change mitigation is significant. At the same time, the obstacles the MSP faces – especially at a time of economic difficulty – be they financial (burden-sharing), institutional/regulatory (in SMCs), or technical (interconnections, grid capacity) require more cooperation than ever before between Euro-Med countries. It is for this reason that the UfM (through the MSP) provides an unprecedented opportunity to foster greater energy cooperation in the Euro-Med region. It has the potential to address very practical issues/interests – increasingly complementary/interconnected – of many stakeholders in the region.

This is not a prognosis on the development of renewable energy sources in the Mediterranean – these depend on market and political forces – but an assessment of the process of interaction that will be generated by the UfM's energy dimension and its impact on Euro-Med energy cooperation.

ECONOMIC DEVELOPMENT AND TRADE FLOWS ACROSS THE MEDITERRANEAN

Franco Zallio. Independent Consultant, Italy

To assess the prospects of the Union for the Mediterranean (UfM) as a union of projects, we first have to take stock of the changes that have occurred in the regional economic scenario after the launching of the Union in 2008.

The international economic crisis had an asymmetrical impact on the two shores of the Mediterranean:

- A deep recession followed by a very sluggish growth in the EU.
- A temporary slowdown followed by a strong economic recovery in Mediterranean Partner Countries.

According to the most recent *World Economic Outlook* published by the International Monetary Fund, in the 2007-2011 five-year period EU Member States will register an annual average real growth rate of just 0.6% while Mediterranean Partner Countries are forecast to grow at an annual average real rate of 5% (4% in the Maghreb, 6% in the Arab Near East and 2% in Turkey).

The income gap between the northern and the southern shores of the Basin is therefore closing, even in per capita terms, although this is happening through an unwelcome development, namely economic crisis and stagnation in the EU.

This differential in economic growth is deeply affecting trade flows between the EU and Mediterranean Partner Countries, as shown by the figures published by Eurostat. From 2006 to 2009, EU trade surplus with Mediterranean Partner Countries doubled,

reaching 37 billion euros in 2009. Figures for 2010 are even more impressive: a staggering 30 billion euro surplus in the first 7 months only and a projected 45 billion euro surplus for the entire 2010.

From an economic point of view, this trade disequilibrium is the natural outcome of the differential in economic growth between the two shores of the Mediterranean Sea. Mediterranean Partner Countries are growing rapidly and their growth is dependent on imports; therefore their imports from the EU are increasing at a much higher rate than EU imports from Mediterranean Partner Countries.

Still, a comparison between this very large EU surplus and the few billion euros received by Mediterranean Partner Countries in European aid and European Investment Bank credits is significant and charged with a potential political impact. In fact, Mediterranean Partner Countries are currently supporting European recovery by opening up their markets to European exports. This new state of things may have some political impact on Euro-Med cooperation, even on the governance of the Union for the Mediterranean.

New trade trends imply a growing economic integration across the Mediterranean, driven by the strong attraction of EU economic actors for Mediterranean Partner Countries, due to their high economic growth and – in the case of Algeria and Libya – to their massive public investment programmes. It is important to also notice that South-South trade relations in the Mediterranean are increasing. Tur-

key is playing a pivotal role in this development: let me just mention that today Middle East and North African countries represent 27% of Turkish exports, ten percentage points more than in 2005.

So, after decades in which institutional cooperation efforts were met with a substantial lack of interest from the private sector, today we are in the opposite situation. The autonomous growth in economic relations across the Basin is now promoting economic integration, both North-South and South-South, and representatives of the private sector are the ones urging diplomacy to overcome the current impasse in the UfM.

This new economic and trade context has mixed implications for the priority projects of the UfM. These projects are supposed to be implemented through a public-private partnership. However, while the European private sector interest for Mediterranean Partner Countries is growing very rapidly, the current weakness of the EU public sector raises serious questions about the viability of this public-private partnership. Many EU Member States are going through a process of reduction in public expenditure and cuts in citizen welfare. It seems therefore increasingly difficult for European governments to allocate new public resources for financing, for example, a “motorway of the sea” in Morocco when they are forced to cut public transport services at home. Therefore, given its dependence on the European private sector interest, the most promising priority project of the UfM is the Mediterranean

Business Development Initiative, supporting small and medium-sized enterprises. The major advantage of this project is that it matches the economic interests of all UfM countries.

On the other hand, other priority projects seem flawed and in need of a redesign. An example is the so-called “motorways of the sea”, a project aimed at extending to Mediterranean Partner Countries an approach already adopted in the EU. However, Mediterranean Partner Countries have different priorities from the EU: in particular, before developing any motorway of the sea, they are interested in the development of their road transport networks, which are still very limited, including the roads that serve port facilities. Therefore, it will be necessary to rethink EU maritime policy towards Mediterranean Partner Countries: the EU needs to pay more attention to the interests of Mediterranean countries and encourage its port authorities and operators to strengthen cooperation with port authorities of Mediterranean countries (e.g., partnership agreements and customs facilities). A new division of labour between northern and southern ports of the Mediterranean may become an opportunity for increased Euro-Mediterranean cooperation. To conclude, the UfM priority projects are facing a dual challenge: on the one hand, EU governments find growing difficulties to finance new projects in the Mediterranean region while reducing public expenditure at home. On the other hand, some projects should be better tailored to the needs of Mediterranean Partner Countries.

NEW CHALLENGE: REVIEWING THE UNION FOR THE MEDITERRANEAN'S PROJECTS

Alfred Tovias. Hebrew University of Jerusalem, Israel

The gradual establishment of the Union for the Mediterranean (UfM) has been subjected to a major crisis. We must ask ourselves whether this crisis is systemic or linked to the present economic climate. In this respect, we can identify three challenges that this union of projects must tackle.

First, we must recognise that there are parallelisms between European construction in the 1950s and thereafter, and the current construction of the Euro-Mediterranean area, i.e., the importing to the Mediterranean of operating models. In so doing, we must identify the challenges and problems, and remember that the Europe of the 1950s had undergone a highly traumatic pacification process after removing the political conflicts that existed between the different European nations. The Mediterranean is a theatre of open political conflicts that prevent the successful application of operating methods in Euro-Mediterranean cooperation.

The second point is how to prevent sector-based technical cooperation being held hostage by political problems and decisions taken by politicised institutions. For example, in 2010 a sector-based meeting on water was not able to adopt a Mediterranean strategy on the issue due to political roadblocks. Additionally, a ministerial meeting on tourism, a subject that is not overly politically sensitive, was not able to agree joint projects in this field.

Thus, the problems faced by technical and sector-based cooperation in the Mediterranean are considerable. In that regard, we could conduct a political

fiction exercise. Let us imagine that the ministerial meeting on water was meant to decide on the implementation of a desalination plan with a significant budget in order to set the project up over a fifteen year period. Would any of the partners have blocked such a decision because of political obstacles? Perhaps, perhaps not. Let us imagine a meeting meant to tackle the issue of mobility; would it have been blocked if it involved facilitating visa procedures?

This shows that the projects' nature is an important issue of analysis. The projects are interesting in the abstract, but the approach used has been a little biased. The UfM's projects are too often seen as profit-generating mechanisms and not a way of spending funds intelligently with the goal of attaining greater social cohesion and human development. We must review the projects' scale and true impact on citizens. Let us consider the issue of infrastructure, for instance. The motorways of the sea and on land are very important projects, but access to small villages is also a project that could have a considerable impact on the people of the Euro-Mediterranean region. Let us also consider electrification projects. Producing electricity in the southern Mediterranean for consumption in Berlin suddenly seems less attractive when you take into account that the electricity supply is not yet guaranteed in certain rural regions of some southern Mediterranean countries. Nor can education projects be limited to higher education. Should we not first think of primary and secondary education, and vocational training in particular?

MYTHS AND REALITIES OF MARKET LIBERALISATION: IN SEARCH OF A FAIRER SYSTEM

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I think that this whole idea of the Union for the Mediterranean being a union of projects is very odd at this stage of history; it is like putting the cart before the horse. If one looks at other experiences of political, economic or social integration, it can be seen that infrastructure integration usually comes much later than simple commercial integration. Jan Tinbergen, who won the first Nobel Prize for Economics, made the useful distinction between negative and positive integration. Negative integration refers to the elimination of trade and investment barriers among different countries, whereas positive integration consists of the creation of new instruments and institutions to further economic relations.

In the experience of the EU, considered by many as a source of historical inspiration for Euro-Mediterranean relations, the initial forms of continental integration (the European Coal and Steel Community, and the European Economic Community [EEC]) started with a blueprint based on negative integration, only timidly peppered with positive integration. But even that very faint idea of positive integration, with the consequent partial erosion of national sovereignty and the creation of strong federal institutions according to Jean Monnet's idea, was enough to trigger the reluctance of Britain and Sweden to join, notwithstanding their appetite for negative integration. Yet there are outstanding examples of positive integration that have appeared in the wake of the strengthening of the European project. The European University Institute, for example, was created after the EEC, not before,

as were the big high-speed train projects, transport infrastructure networks or the project for a single sky. New waves of projects are now coming on stream, years after the birth of the EU.

So while adopting common infrastructure policies comes very close to the core of national sovereignty, the elimination of customs, duties and similar actions does not pose a serious threat to the essence of the nation-state and are therefore easier to achieve. I have repeatedly insisted since the creation of EuroMeSCO that Euromed is very deceptive because it postulated industrial free trade areas excluding, of course, agriculture at the time when the Mediterranean countries had and continue to have a significant comparative advantage in many local agricultural products. EU average agricultural tariffs are still as high as 30% and import quotas still dominate relations between the EU and the Mediterranean Partner Countries. This timidity of the EU to open up its agricultural markets began to recede in 2007 in the wake of the looming perspective of having to engage with Brazil in highly complex trade negotiations implying free trade in all areas. The Brazilians are not interested in free trade if it does not include agricultural products, and here I must say that the southern Mediterranean countries have not shown the same resolution when they have been squeezed between the perspective of a Mediterranean free trade area as they understand it; that is, including agriculture and the pressures of very strong interest groups such as the European fruit and vegetable farmers. The Mediterranean partners

have accepted the ungenerous proposal of the EU, which is certainly not as beneficial for them as it could have been.

It would be wiser to start integrating by lowering trade barriers, not by building infrastructures

This pattern of hasty and unbalanced relations can also be found in the service sector, because we know very well that if there is a factor of production which is abundant in the South it is population. There is a desperate need to create as many jobs as possible on the southern shore, but even in this respect the EU is not giving the example. What is needed then is an action plan for the EU, not for the Mediterranean; what is called for is a demonstration effect whereby the EU gives the example, not by telling the Mediterranean neighbours to do what they have already done, but rather by doing itself what is needed to create opportunities for a fairer exchange. Yet there is a refusal by the EU to allow professionals and specialists of Mediterranean countries to enter its job market, even on a temporary basis; visas are not handed out, and whereas there would be room to liberalise trade according to a more equitable blueprint, not a word is spent by the EU on this subject. When

the Europeans speak about trading services with the Mediterranean, what they really mean is free export of their financial services to the South, which is not a bad thing in itself but can become so when there is no hint of a reciprocation for that offer, such as by allowing the entry of temporary migrants for specific duties in the EU.

I agree with what is said in many development circles, that of course migration of professionals to the North poses serious risks of brain-drain to the southern countries, but not if an effective and enforceable system of temporary visas is put in place, one that guarantees the return of the temporary migrants to their country of origin and that they do not become a burden for the European welfare system. But my experience says that this subject is a non-starter in Brussels and in most European capitals, and there are many other example of this ambiguous application of the need for "deepened" Euro-Mediterranean exchange: so while delocalisation has now been accepted in Europe as a valuable strategy for textiles, reproducing the same outsourcing process in agriculture and in services is not an option. Those who are indeed ready to spark this kind of debate have to face all kinds of difficulties and obstacles, while none of the European veto players acknowledge that a fairer system of trade liberalisation would be the best most economical way to create employment in the southern Mediterranean countries.

CONCLUSIONS

THE IMPORTANCE OF THE EURO-MEDITERRANEAN NETWORK IN THE CURRENT CONTEXT

Senén Florensa. Director General of the European Institute of the Mediterranean (IEMed), Spain

This Annual EuroMeSCo Conference has the honour of closing with a panel of major figures, as ever enthusiastic about the Euro-Mediterranean Partnership, who are with us to be part of our large family at EuroMeSCo's Annual Conference. I would like to thank the Union for the Mediterranean Deputy Secretary General for Social and Civil Affairs, Mrs Cecilia Attard Pirotta, here representing the Union for the Mediterranean. I would also like to thank Mr José Riera, the Spanish representative of the Union for the Mediterranean and, in particular, Commissioner Benita Ferrero-Waldner, who is honouring us with her presence at this event, as well as our great friend, the Secretary General of the Arab Maghreb Union, Mr Habib Ben Yahia.

Feelings about Euro-Mediterranean matters are a little ambiguous. We are suffering the shock caused by the failure to organise the summit, with all it entails. That failing was above all a political failure caused by unresolved problems in the Mediterranean area. At the same time, long-standing activists have met and continue to believe that it is still worth moving forward and working for this major accord between the two shores of the Mediterranean. This new phase coincides with the 15th anniversary of the Euro-Mediterranean Partnership which began here in Barcelona, which was the original idea of the former Minister Mr Miguel Ángel Moratinos. This meeting is a small tribute to the great pro-Mediterranean Spanish Minister of Foreign Affairs and current European Union envoy to the Middle East.

In this new phase, the EuroMeSCo family is called upon to play an important role because many people working in universities and institutes have a contribution to make. It is extremely important to be able to hold events such as this, a symbiosis between the worlds of academia and civil society studying and working on these issues, and the people at the head of institutions.

Our first conclusion is that, now more than ever, the Mediterranean needs peace because, otherwise, the political blockage will continue. Secondly, we must distinguish between different levels. Suspending the summit was a clear example of the strong political rejection of the current situation. We are aware that things must be allowed to work on the technical and project level because they are to the benefit of the people around the Mediterranean.

The world has changed, starting in Europe with the implementation of Lisbon and followed by the Mediterranean. The emergence of new actors, the Mediterranean's new geopolitical situation, and the economic and financial crisis are events that also affect the Euro-Mediterranean as a whole. However, the peoples of the Euro-Mediterranean region are continuing with this grand project because it is the solution to many of these problems. Agreement in this major region, both in the North and South, is essential for the great ideal of building an area of peace and stability, shared economic progress and agreement between the peoples and cultures around the shores of the Mediterranean.

THE EUROPEAN UNION AND THE MEDITERRANEAN: REBALANCING THE PROCESS

Roberto Aliboni. Istituto Affari Internazionali, Italy

The Euro-Mediterranean framework has suffered difficulties over recent years. This can be seen in the small context of EuroMeSCo and in the larger context of the Union for the Mediterranean (UfM) and European policies on the Mediterranean. The reasons at the root of these difficulties are clear to see.

As regards the UfM, fine tuning work must be carried out. The UfM is a good initiative, but the internal proportions within the Union are not favourable. Thus, we must rebalance the multilateral and bilateral sides; rebalance the relationship between the political and economic dimensions, and endow it with an overall approach instead of the rather flamboyant approach adopted in 2008 when the UfM was launched. Rebalancing these dimensions will not be enough in and of itself but a UfM with less political ambition and more economic effectiveness would be very useful.

Beyond this practical approach regarding Euro-Mediterranean affairs, there are geopolitical and political factors that must be considered. The European Union has to find an appropriate balance between the Euro-Mediterranean dimension and the dimension covering the Middle East, Africa, the

United States and the new actors in the Mediterranean. The European Union and the Mediterranean partners must work together while bearing in mind that working together now in the Mediterranean means working in a more global, more open world where there are new actors with whom we have to cooperate. We must prepare an approach that takes account of their existence.

In particular, as regards the Middle East, all of the events that have taken place since 2000 and during the Bush Administration have led to a Mediterranean that is closer to the Middle East. Obviously, the two regions have always been closely related, but developments, particularly those concerning the conflict between the Palestinians and Israel, always form part of a regional constellation that certainly stretches beyond the Mediterranean. In this regard, actors such as Iran, for example, are now unquestionable Mediterranean actors. Consequently, we must remember that there is a wider world and we must prepare for that. In particular, and in conclusion, the European Union must prepare to pursue, with its Euro-Mediterranean relations, neighbourhood relations that must be tackled in a wider context.

THE EURO-MEDITERRANEAN APPROACH: A SPANISH NEED AND PRIORITY

José Riera. Ambassador on Special Mission for Mediterranean Affairs, Ministry of Foreign Affairs and Cooperation, Spain

EuroMeSCo conferences are very important at this time because now is when new ideas and joint reflection between the North and South, between all countries, is necessary for the future. The Euro-Mediterranean region is a polyhedral issue and thanks to EuroMeSCo Mediterranean countries have the possibility of finding new ideals to better act in this set-up. The meetings promoted by this Euro-Mediterranean network are “revolutionary”, but they are also serious in their approach and it is precisely because of their realism that they are so valuable to Spain’s Ministry of Foreign Affairs. During her first speech at the Ministry, the Minister, Ms Trinidad Jiménez, said that the number one priority for Spanish foreign policy was the Mediterranean, but it was a policy area she cited not just as essential for Spain. The Mediterranean remains a strategic issue. While the Mediterranean and the Barcelona Process were crucial fifteen years ago, when it began, now, with globalisation, this region and the Euro-Mediterranean approach are even more vital and necessary.

The benefits brought by fifteen years of the Euro-Mediterranean Process are impressive. Spain believes that, at this time, the European Union must redouble its commitment to continue with this success story, but we also believe that the southern countries must increase their involvement. All of the members should

evaluate themselves and assess what they can do. Obviously, one of the issues we must resolve is the Middle East peace process. The Secretary General of the Moroccan Ministry of Foreign Affairs, Mr Youssef Amrani, clearly defined this process as the cornerstone of the Mediterranean.

To overcome this obstacle, we must first attempt to depoliticise the Union for the Mediterranean (UfM) and our relationships in order to make progress. The Barcelona Process has suffered the consequences of the Middle East conflict, but we had found a way of putting that particular problem to one side and principally working on technical matters. Another possible way to overcome these difficulties is by strengthening the Secretariat. Every Member State must commit to the Secretariat in terms of funding, personnel and resources so that it can fulfil its task. We could also continue developing other Euro-Mediterranean cooperation elements, such as mobility and immigration. Through EuroMeSCo meetings, the people of European and Mediterranean countries can study what paths are not revolutionary but realistic to deepen Euro-Mediterranean cooperation. Spain will reflect on these issues positively but realistically. We are sure that the UfM and Euro-Mediterranean Process will continue to advance. At the very least, you can count on Spain.

A PRAGMATIC APPROACH TO EURO-MEDITERRANEAN COOPERATION: THE PROJECTS OF THE UNION FOR THE MEDITERRANEAN AND ITS SECRETARIAT

Cecilia Attard-Pirotta. Deputy Secretary General,
Union for the Mediterranean

The adverse situation generated by the postponement of the scheduled Union for the Mediterranean (UfM) summit should not be a reason to desist from other important activities that constitute the core of this ambitious project of economic integration and political dialogue. It is then all the more important for us to carry on with our task at the Secretariat. I am confident that the deliberations of this conference will deliver useful ideas and proposals that will help shape the role of the UfM and contribute to the region's economic prosperity and social development. Undoubtedly, the establishment of the UfM constitutes a major step in upgrading the stance of Euromed and in reinforcing successful elements of the Barcelona Process.

At the same time, this conference has pointed the finger at the wavering commitment so far shown by the EU and its Mediterranean partners and has called for the deployment of the political will needed to give practical meaning to all the values the UfM stands for: the establishment of an area of peace, stability and security, the pursuit of shared prosperity, and full respect for democratic principles, human rights, and fundamental freedoms. There have been endless discussions to determine what exactly unites peoples around the Mediterranean basin. We have been emphasising the merits of dialogue between cultures, civilisations and religions. Little has been achieved so far, and we hope that it is within the UfM framework that we will finally have an opportunity to work side by side, and put all our energies

together into fostering Euro-Mediterranean cooperation and promoting better understanding between cultures and exchanges between civil societies in the region.

I strongly believe that the future of the region depends on boosting cooperation between its two shores that are certainly bound by common interests and challenges. By turning its back on the Mediterranean countries across the sea, the EU would lose out not only on its partners' intellectual, moral and spiritual resources but also on their own future. It is in the Mediterranean that these countries and their longstanding cultures will secure their prosperity and security, and make their message heard by the international community. The Barcelona Process has been a central instrument for Euro-Mediterranean relations since 1995, proving to be an institutional framework for dialogue and cooperation. The UfM aims to build on this consensus to pursue Euro-Mediterranean cooperation on the basis of quality and mutual respect. It is based on important principles, which constitute its added value and have made it possible to upgrade the existing Euro-Mediterranean cooperation to more ambitious levels. New institutional structures have been created in order to improve co-ownership, notably the establishment of the Co-Presidency and the permanent Secretariats. We hope that the private sector, the business community and civil society will all be involved in the activities of the UfM, for they are key players in driving the two Mediterranean shores close to each other.

The UfM should be seen as complementary to the bilateral relations of the EU with the Mediterranean countries and also to the European Neighbourhood Policy. This line of engagement will continue under existing policy frameworks, such as the association agreements and the bilateral action plans. The UfM takes up the challenge of making Euromed more visible and tangible through concrete projects intended to cater for the needs of the citizens of the region. Just as Europe began with coal and steel and atomic energy, the UfM will start with six priority areas, as identified and adopted in Paris in 2008, covering important sectors that will boost stronger cooperation between the two shores of the Mediterranean. Implementing projects in the fields of transports and energy, and the initiatives in the domain of environment, civil protection, higher education, scientific research and assistance to the small and medium-sized enterprises, will not only make Euromed more tangible and contribute significantly to the improvement of the livelihood of its peoples and citizens but will also constitute a confidence-building measure, and the major step towards the creation of an area of peace and stability in the Mediterranean.

The UfM must be a force of peace and political power; it should serve to consolidate the existing positive policies, while creating the necessary conditions for peace and justice to prevail. The UfM Secretariat assumes a key role within the institutional architecture of this institution in order to achieve its goals and objectives. It has been given the responsibility to identify, promote and follow up on projects, to search for funding and for partners. To this end it will carry out studies and organise projects, donor conferences and business forums, with the participation of the private sector, transnational platforms and networks. During the upcoming phase we hope to show the same determination to meet the aspirations and the objective of implementing projects that reflect the needs and the priorities of its Member States. With the recent adoption of the budget and the whole 2011 programme, the UfM Secretariat has entered

a new, more proactive phase; yet much more needs to be done, including further discussions between the 43 Member States and the Secretariat to ensure better understanding in the long-term vision of its leading institution. What is certain is that the Secretariat should be at the heart of the whole project and equipped with sufficient capabilities and expertise, in order to become fully operational and ensure it can best deliver on its mandate.

The Union for the Mediterranean takes up the challenge of making Euromed more visible and tangible through concrete projects

The UfM represents a challenge for us all. Let us forge concrete solidarities on pragmatic projects involving all of our people's vital aspirations, and with the participation of all concerned and interested stakeholders. These original experiments should create the conditions for the success of the UfM, turning it into a global model for concrete and irreversible cooperation. This is a world where regionalisation of economics seems inevitable and essential, and the Mediterranean region should therefore play an important role in this unfolding process. Relying on their proximity and complementarity, the countries of the Mediterranean should form a competitive economic zone, based on the premise that new and equitable forms of interaction between its northern and southern shores can lead to the generation of higher levels of added value that will promote the development and welfare of all its participants. As far as Europe is concerned, its Member States are aware of the benefits of the Mediterranean economic integration, but I feel that they must also be equally aware of its importance in terms of keeping European industries competitive, especially in the wake of the new challenges imposed by the fast developing Asian countries. Europe should support strong economic integration with southern and eastern

Mediterranean countries, and give rise to ambitious projects whose benefits can be shared by all. On the other hand, southern and eastern Mediterranean countries, whose economies closely depend on Europe, have to sustain their efforts in promoting regional economic integration, fostering economic development, and containing the adverse effects of the global economic and financial crisis. In ten to twenty years, they could become the new emerging global market, eventually contributing to the economic growth of Europe. Such a situation could in the future facilitate the financing of productive investment plans and propel these countries in the cycle of development that will benefit the entire Mediterranean region. Europeans will then be able to retain competitive companies in the industrial and service sector, while the southern and eastern Mediterranean partners will see their economic standards rise sharply.

However, we must acknowledge that the potential of development in the Mediterranean basin will be not fully realised without achieving peace and stability in the Middle East, and the settlement of the Arab-Israeli conflict. The UfM has been vastly exposed to difficulties over the past two years because of political tensions in the region, forcing it to slow down its further development. Therefore, achieving a just and lasting peace in the Mediterranean remains a key factor in allowing Euro-Mediterranean cooperation to flourish and to maintain the momentum created by the establishment of the UfM. Of course, this does not mean that the UfM will not be able to make progress without solving this conflict; on the contrary, we believe that the UfM must follow a pragmatic approach based on a variable geometry that would allow implement-

ing projects involving all those neighbouring Member States that share objectives and complementarities. This approach will hopefully give momentum to the process and lead to achievement of the wider and more ambitious objectives of the UfM.

This is a world where regionalisation of economics seems inevitable and essential

In conclusion, the UfM emerges as a new paradigm to strengthen Euro-Mediterranean relations with a practical and institutional dimension following the establishment of the Secretariat and the new projects in the six strategic areas. We are all aware that this new stage of Euro-Mediterranean relations suffers from a complexity that, combined with the effects of the difficult situation in which the region is currently mired, may also hinder its progress. Therefore, we need to mobilise the efforts of the international community to overcome these difficulties and recur to working methods that are of interest to both shores. We shall identify our challenges, and our common priorities, in order to define a joint agenda for the coming years with a view to meeting the demands and the expectations of the Euro-Mediterranean societies. The success of the UfM depends on collective will and on the shared vision of all the peoples of the Mediterranean. There is a new chapter of history to be written, one in which the UfM can also have an important part, and we have the duty to determine its final content.

REFLECTIONS ON THE FIRST FIFTEEN YEARS OF THE BARCELONA PROCESS

Benita Ferrero-Waldner. Member of the Board of Directors of Gamesa and former European Commissioner for External Relations and European Neighbourhood Policy

Celebrating fifteen years since the beginning of the Barcelona Process feels like a very special occasion to me, because I am one of those people that attended that first Barcelona meeting fifteen years ago. I was then Austria's new Secretary of State for Foreign Affairs. My country had just joined the EU and I am glad that I had a Foreign Minister who said to me: "You choose what you think is right for us." And, of course, I made my choice on the basis of the feeling that the Mediterranean was extremely important for us. I have always been proud of that choice and I have defended it in all the meetings right through to the end of my job as European Commissioner. I think it is interesting to first have a personal look at the history of the Barcelona Process, and then touch on the issue that has been long debated in this conference, that is how we can move forward from where we are now. I will not dwell on the details but I will try to engage in some more political and, if you like, rather philosophical reflections.

I was here at the baptism of the whole process, the Barcelona Declaration, and I can say I was as enthusiastic as many of the other "godfathers", like our dear friend, Habib Ben Yahia. There were also other very distinguished personalities such as Yasser Arafat and Ehud Barak and many more colleagues and I think that we were all thinking: "This is the moment, we have to do it." We know that many people in the Commission, like Manuel Marín, my predecessor Chris Patten, Javier Solana and many others had really worked hard to set up an ambitious project

supported by an institutional architecture including all the three pillars' dimensions: the security pillar, the economic and commercial pillar, and of course the people's pillar, that is civil society, social development, human rights and democracy. There was then huge enthusiasm for this "new-born" political framework, which has grown in size and importance over time, urging all of us to try hard in our attempt to make meaningful progress. We all know that we had our good moments, when we could conduct political dialogue across the table, sometimes in the form of very fierce discussions, sometimes in a more friendly tone, particularly between the Palestinians and the Israelis, but the discussions always went on, and I think this is something we have to cherish.

I think that one of the biggest mistakes of the Union for the Mediterranean (UfM), and I say this in my capacity as a former political actor, lies in having underrated the use of a pragmatic approach leading to regular meetings no matter the political adversity appearing along the way. It is normal and it should have been to no one's surprise that there would always be a reason to be frustrated, some complaint to reproach the members for and so on, but it should not have been a reason to give up meetings and discussions. Coming back to the historical timeline of the Barcelona Process, I was the Commissioner for External Relations and European Neighbourhood Policy when the moment came to celebrate its 10th anniversary and I remember that we all were a little bit disappointed when many

heads of state and chiefs of governments of the southern Mediterranean countries did not show up for the celebration. This was another mistake along the way, whose responsibility this time falls on the partners of the southern side. In my opinion, they should have shared in this enthusiasm and, at the same time, taken the opportunity to make clear their disappointment with the little progress made toward the fulfilment for their aspirations. This mistake was repeated many times.

It is a mistake to stop having meetings and dialogue because of the current unfavourable political context

The EU has probably tried to do what it could, mainly by conceiving and starting this whole new process, but we could not of course run the show all by ourselves, so to speak. We wanted to see more from the other side, notably on issues like democracy, human rights and so on. It was then clear that it was going to be a more difficult process than we thought, and now, on its 15th anniversary, we all agree that it is not yet a mature process although we have sometimes felt otherwise. But the reality is that so far, despite all the new items that have been added in the course of its existence (such as energy and climate change, the fight against terrorism and drug trafficking, etc.) there is not really much to show for it. It is a moment of reflection now and we have to ask ourselves what this new process, the UfM, can deliver in terms of new and more productive results. It is well known that President Sarkozy, during the French Presidency of the EU in 2008, had this idea of reinvigorating this Barcelona Process, and we had many discussions on how to do it. In the end the actual formula was found and I have already pointed out its greatest mistakes.

Political leadership is what is now needed to get us out of this impasse but we know that this is somehow lacking because nobody is really keen on sitting at the same table and it is only good news that there

is at least the structure of the Secretariat that manages to stay the course and carry on with its work. We have to be pragmatic as there is no other option at the moment but, at the same time, there is always the possibility that the heads of states and governments will find the strength to muster the political will and decide to move on, exactly as we did with the start of the Barcelona Process. At that time we decided we wanted to contribute to security and peace in the Middle East, but we were also aware that the conflict could not be solved by the Barcelona Process alone and that there was the risk that the conflict could instead overshadow the Process, as is the case today. And that is a real pity, because there are so many things that can be done and that are instead kept on the backburner.

My message here is that we have to think pragmatically about what can be done, the same as I did when I convinced the French Presidency that it is through private business and private enterprises that something new could have been achieved. These private actors are pragmatic and forward-looking, they know what has to be done, and they might overcome political difficulties through their experience and ability to work together. I know there is also a group of people working with Andrea Canino, President of the Mediterranean Business Council-EcoMed, on the development of interesting new ideas. The moment has come to reinstall enthusiasm and forge a common vision and the culture of working together toward the achievement of concrete results in these priority areas. Just to put an example taken from my personal experience, I recall that when I was Austria's Foreign Minister, I had to deal with the process of the reunification of Europe, which is the eastern enlargement of the EU. This was of course very important for my country but not everybody in our population understood it that way, and although I had to work very hard and endure many disappointments, I think that in the end the message got through and that today nobody would be able to think otherwise. I think that this is what we need to achieve together now.

THE MEDITERRANEAN: A SEA OF HISTORY AND HOPE

Habib Ben Yahia. Secretary General of The Arab Maghreb Union, former Tunisian Minister of Foreign Affairs

Any initiative focusing on the Mediterranean must be placed in a historical perspective. Over the millennia, the Mediterranean has seen terrible wars, natural disasters and the clashing of civilisations, but it has also given birth to men who have left their mark on history whether in Athens, Rome or Carthage. War and peace have washed across its shores, and we must draw the lessons of the Mediterranean's fantastic history. Now, after fifteen years of Euromed and Barcelona, two years of the Union for the Mediterranean (UfM), the perspectives for peace in the Middle East and elsewhere in the Mediterranean, it is time to think and work to find ideas. We must not lose hope that this region, which has given us many politicians, philosophers and poets, can find the solution to frozen problems. It is at exactly the sort of meeting promoted by EuroMeSCo between people from the North and South, between Mediterranean Europeans and Europeans from further North, from countries that do not have a Mediterranean coast but that are also reflecting on their shared future, and southern Mediterraneans, i.e., from the Maghreb, that we will find new paths.

Sooner or later, this Mediterranean, filled with so much hope, will solve its problems, not by the force of weapons but by the force of dialogue and reason. Dialogue is the key to the future of the Maghreb and the Mediterranean. The Palestinians and Israelis should be reminded of it as a primary lesson because they have a shared history. We hope the Mediter-

ranians will have the last word and also make their contribution to finding peace in the Middle East at long last, and that Europe, with its human and financial resources, but also with its people, will assign due importance to resolving this issue. It is true that America has a major role to play, but it is high time that Europe worked hand in hand with the United Nations system and the United States so that peace can finally be found in the Middle East.

The UfM is also a vision of a shared future for the entire Mediterranean. It represents the political completion of what the Barcelona Process started doing fifteen years ago. Within the framework of ministerial summits and meetings, assisted by networks such as EuroMeSCo, the UfM offers the opportunity for deeper reflection on this fantastic idea of broadening the concept of "union". There has been an Arab Union, the Maghreb Union for twenty-two years; the European Union took sixty to come into being. This union is synonymous with peace and peace must be achieved as soon as possible.

History has taught us an important lesson. After wars, human beings and Mediterranean leaders must take the time to build an atmosphere that is conducive to peace and that leads to a change of mind set in favour of peace. This is necessary to create a Mediterranean that can be built in the same way as Asia, a region in peace. We must remain hopeful that the Mediterranean can become a haven of peace, where people understand one another despite religious, cultural and linguistic differences

(a possibility proven by the experience among the European Union's twenty-seven members).

To conclude, we must make a "think tank" effort to

arm people around the Mediterranean with ideas and options, whether Barcelona+15 or UfM+2. The road will be long but we must not abandon hope.

