

The missing spring in the EU's Mediterranean policies

Haizam Amirah-Fernández | Senior Analyst for Mediterranean and Arab World, Elcano Royal Institute

Timo Behr | Research Associate, Notre Europe - Jacques Delors Institute

Summary

The changing political and social realities in North Africa and the Middle East, following the antiauthoritarian uprisings that started in Tunisia in late 2010, took Europe's institutions and governments by surprise. The fall of the wall of fear in Arab societies represents a major challenge, of unknown proportions for Europe, but also an unprecedented opportunity for building a new regional stability based on good governance, inclusive development and mutually beneficial exchanges.

The EU responded to these various challenges by launching a major revision of its neighbourhood policies. This represents a clear shift from the EU's previous policies that, deliberately or not, favoured "authoritarian stability". While this shift from authoritarian to sustainable stability does represent a long overdue course correction, the EU's strategic adjustment remains incomplete in many regards. The geopolitics of the Mediterranean region have been altered and the EU risks paying a hefty price in terms of security, influence and access in case it opts for a passive, wait-and-see approach.

This Policy Paper is a contribution to the project "**Think Global – Act European (TGAE). Thinking strategically about the EU's external action**" directed by Notre Europe – Jacques Delors Institute and involving 16 European think tanks:

Carnegie Europe, CCEIA, CER, CEPS, demosEUROPA, ECFR, EGMONT, EPC, Real Instituto Elcano,

Eliamep, Europeum, FRIDE, IAI, Notre Europe – Jacques Delors Institute, SIEPS, SWP.

The final report presenting the key recommendations of the think tanks will be published in March 2013, under the direction of Elvire Fabry (Notre Europe – Jacques Delors Institute, Paris).



1. The EU's new neighbours in the south

Since its creation, never before the so-called Arab Spring had the EU faced such a wide and profound bottom-up transformation in its southern neighbourhood as the one produced by the antiauthoritarian uprisings that started in Tunisia in late 2010 and quickly spread across the Arab world. The new political and social realities in North Africa and the Middle East took Europe's institutions and governments by surprise and called into question their capacity to foresee, analyse and react to major challenges in the EU's immediate vicinity. Arguably, the fall of the wall of fear in Arab societies represents a major challenge of unknown proportions for Europe, but also an unprecedented opportunity for building a new regional stability based on good governance, inclusive development and mutually beneficial exchanges.

The deep demographic, economic and cultural changes witnessed in the Arab world in recent years are giving rise to multiple forms of social mobilisation against authoritarian rule, corruption and a lack of opportunities after decades of apparent resistance to change and deceptive stability. In a matter of a year and a half, four Arab autocrats who had been exercising almost absolute power were overthrown; democratic elections were held in different countries; at least two bloody civil wars broke out; two foreign military interventions took place; emergency constitutional reforms were made; some unpopular governments were reshuffled; and economic measures were taken to alleviate domestic pressure. Those developments are undeniably startling and they show a paradigm shift in a region linked to the EU by various partnership agreements and regional frameworks of cooperation.

The new context that has emerged around the Mediterranean following 2011 is accompanied by enormous uncertainties. The decades-long status quo that prevailed in the Arab world has revealed serious shortcomings and, with it, the stability of its political systems – both old and new ones – can no longer be taken for granted. Today it would be incautious to predict that any Arab country can remain unaffected by the regional wave of changes or, for that matter, to think that changing dynamics in different countries will inevitably follow similar paths.

The EU, among other international players, needs to adapt its policies towards the southern Mediterranean in order to deal with the new political systems. This includes building ties with recently formed governments that have a strong presence of parties with which Europe had not established relations in the past, as well as creating efficient channels of communication with emerging social movements, civil organisations and economic actors.

There is much at stake for European societies, both if the incipient transitions in Arab countries are thwarted (the resulting frustration due to unmet expectations could turn into radicalism and anarchy, easily spreading throughout the region), but also if they advance gradually towards more participatory systems with separation of powers and where economic and social development is inclusive. In the latter case, the opportunities that would arise for European economies in a more democratic and prosperous Mediterranean would be huge. These changes may translate into investment opportunities, greater trade, transfer of knowledge, joint projects and other economic advantages and complementarities.

2. The slow shift in the EU's vision

For years, the EU was criticised for the lack of consistency between its declared goals and actual policies in the southern Mediterranean. The failure to translate its pro-democracy and pro-human rights discourse into effective action, while at the same time supporting authoritarian and corrupt regimes, led to a growing disenchantment among Maghrebi and Middle Eastern societies. In Euro-Mediterranean relations, contradictions between short-term political calculations and the stated objectives of major regional initiatives have been a constant factor over the years. In the months that followed the fall of Ben Ali, Mubarak and Gaddafi, the EU and its Member States attempted to adapt to the new regional environment around the Mediterranean, combining expressions of support for the transitions already begun with the old policy of backing those autocracies still in place.

Western governments pursued stability in the Maghreb and Middle East almost at any cost. This implied uncritical support for repressive and internally delegitimised regimes in return for keeping their societies under control, allowing access to resources (chiefly energy) and trade and economic relations. On the other hand, Western policies towards the region have often been centred on fighting real or perceived threats such as terrorism and illegal immigration. This has allowed the Arab authoritarian regimes to restrict their populations' freedoms and political and social rights with al-most complete impunity. Nobody can escape the fact that the West's excessive permissiveness towards the Arab life-long dictators has helped widen the economic and emotional gaps between the two sides of the Mediterranean.

The problem is that this support, both from the EU and the US, did not translate into meaningful progress towards good governance and the rule of law. Nor did it help generate opportunities or create sufficient jobs in societies brimming with young people who aspire to have a decent standard of living and are increasingly in contact with the outside world. It is the sum of these elements of social malaise that triggered the widespread mobilisations against abuses of power in the region as a whole.

The socio-political transformations that have already started in some Arab countries – and those that may come next – will require that the EU reflects on its own policies in order to learn from past mistakes. Despite the difficulties, there is a need to realise that the more satisfied the inhabitants of the southern Mediterranean are with their own countries, the better off everyone will be on both shores. In this new context, the EU would be well advised to gauge the success of any initiative using a specific, simple criterion: whether or not it contributes clearly to increasing the opportunities for greater wellbeing for considerable sectors of societies south and north of the Mediterranean. Unless this takes place, the root causes of future instability will remain a menacing reality.

One thing is clear: the geopolitics of the Mediterranean region have been altered and the EU risks paying a hefty price in terms of security, influence and access if it opts for a passive, wait-and-see approach. Prudence is needed, given the bumpy road ahead of ongoing Arab transitions. However, there is a growing feeling that the EU is wasting precious time not acting decisively to help shape a more democratic future in its southern neighbourhood. European countries are the main trading

partners and creditors of the Arab region. It would be incomprehensible for the EU not to play a central role in giving full support to the democratic aspirations of those who made immense sacrifices to rid themselves of dictatorship. The inability of the EU for over a year and a half to stop the bloodshed caused by the Assad regime in Syria is a case in point.

3. The EU's new strategic compass

The EU responded to these various challenges by launching a major revision of its neighbourhood policies. Although hesitant and divided at first, EU policymakers rapidly cobbled together a new regional strategy as they grasped the strategic relevance and far-reaching consequences of the protests. The core tenets of this new approach were initially laid out in the Commission's 'Communication on a partnership for democracy and shared prosperity with the southern Mediterranean' in March 2011. This was followed by further communications on 'A new response to a changing neighbourhood' in May 2011 and on 'Delivering a new European Neighbourhood Policy' in May 2012, as well as a flurry of accompanying EU documents and communications.

Together, these documents sketch out a new set of strategic priorities for the EU's neighbourhood policy that builds broadly on the core demands of the protest movements. First amongst these is the creation of "deep democracy" that goes beyond formalistic electoral processes and respects fundamental liberal principles. Second comes the building of "people partnerships" that are able to foster pluralistic civil societies and engage with the diverse new spectrum of civilian actors in the Mediterranean. Finally, the EU has committed itself to promote "inclusive growth" that leads to sustainable development and greater socio-economic equality. Through these measures the EU seeks to foster "sustainable stability" and build closer ties between the EU and the new Arab democracies.

This represents a clear shift from the EU's previous policies, which, deliberately or not, favoured "authoritarian stability" based on the precept that political change could only flow from gradual social and economic transformations. While this shift from authoritarian to sustainable stability does represent a long overdue course correction, the EU's strategic adjustment remains incomplete in other regards.

First, the EU has largely failed to give some meaning to most of the new catch phrases that it so liberally deploys. The EU's democracy promotion concept remains fuzzy and definition of deep democracy vary throughout the speeches of EU officials, inadvertently raising suspicions of a hidden EU agenda. The EU has been more concrete when it comes to redefining its civil society engagement through a new Communication, but remains ambivalent about its relations with faith-based and traditional parts of civil society. The concept of inclusive growth, finally, has been treated largely as an addendum to the EU's development approach by adding a few social investment projects on top of the EU's established agenda of market, trade liberalisation and regulatory adjustment.

Second, the revised ENP struggles to fully grasp the "failure of gravity" in the EU's relationship with the southern Mediterranean. The sagging attraction of the EU model and the new confidence of the young Arab democracies have meant that the EU-centric vision of a European Mediterranean

has lost some of its appeal. While the EU has responded by introducing greater differentiation into its bilateral approach, it has barely started to consider the consequences of a more independent and diverse region. Instead, the needle of the EU's strategic compass remains firmly fixed in a northerly direction.

Finally, it is not enough for the EU to focus its attention exclusively on the ongoing political transition processes in Tunisia and Egypt. While the evolution of these countries is indeed pivotal, other problems linger. The EU urgently needs a new strategy for engaging countries, like Algeria, that are unlikely to follow the Tunisian model any time soon. Moreover, some of the more "traditional" regional challenges require the EU's immediate attention. The collapse of the Middle East peace process, the Iranian nuclear crisis, smouldering Sunni-Shia tensions, and mounting instability in the Sinai and the Sahel all have the potential of derailing ongoing transition processes. The EU, in other words, requires a strategy that considers the impact of the revolutions in their broader regional setting.

4. New tools, old toolbox

The EU's failure to embark on a more radical overhaul of its regional outlook has, unsurprisingly, limited the effectiveness of some of the new tools it has developed in response to the Arab Spring.

Prime amongst these is the use of EU conditionality. The adoption of the "more-for-more principle" in order to incentivise and support domestic reforms has been one of the key changes that emerged out of the ENP revisions. Based on Catherine Ashton's 3Ms of money, markets and mobility, EU conditionality was to become more objective and more effective. Arguably, neither goal has been met. The EU now wields an impressive bag of new incentives that include amongst others its newly launched SPRING programme, Mobility Partnerships and so-called Deep and Comprehensive Free Trade Areas (DCFTAs). While these are mouth-watering rewards for countries eager to move closer to the EU, they may appear as poisonous fruit to some of the more independent Arab democracies and are likely to be out-right unappealing to the remaining democracy laggards. The limited size of some of these rewards further diminishes their potential use as concrete leverage for reforms, especially in a situation where alternative sources of funding are available from the Gulf.

Moreover, despite all the talk of clear benchmarks and objective criteria, the EU appears to have dispensed these rewards in a somewhat random fashion. Regardless of serious questions remaining over the depth of political reforms in Jordan and Morocco, both countries have been amongst the winners of the EU's more-for-more bonanza. Somewhat surprisingly, the EU has also front-loaded a good deal of its incentives: Task Forces have been initiated, DCFTA negotiations launched, and Mobility Partnerships are being negotiated. Backtracking on commitments and suspending aid if reforms falter will be predictably difficult. The EU's paralysis following the Egyptian constitutional crisis stands testimony to this. In truth, much of the EU's more-for-more approach has been about channelling additional funding to specific issues and countries, not providing the EU with additional leverage.

More successful have been the EU's concrete measures to support elections and democratic institution building through training, technical assistance and help with judiciary reforms. The EU's willingness

to employ sanctions – the unwritten less-for-less principle – has also been impressive compared with its previous record.¹ But even here some questions remain. While economic sanctions rightly remain the ultima ratio of EU action, this raises the question of how the EU should react to reform reversals or possible future cases where countries combine free elections with an illiberal domestic agenda.

Much of the EU's focus in this regard has been on developing a new strategy for engaging with civil society. To this end, the EU has adopted a new Communication on 'The roots of democracy and sustainable development: Europe's engagement with civil society in external relations', has launched a new civil society facility and is preparing a European Endowment for Democracy. All of these promise to provide new tools and avenues for engagement. Still, there remains a certain danger that the EU's open and outright support for liberal and western-style civil society organisations (CSOs) and its almost complete disregard for Islamic and traditional parts of civil society will only serve to widen the deepening social divide in some parts of the region and open the EU to accusations of partiality.

Finally, there remains the limited size of the support that a cash-strapped Europe is able and willing to muster – in terms of funding and other measures – in a time of fiscal austerity and political crisis. The consequences for the EU's credibility and attractiveness, as variously discussed, have been severe.

All of this has meant that the ENP's new tools remain dull and somewhat ineffective given the current situation. More worryingly perhaps, the EU is fundamentally still using the old toolbox of ENP measures, based on an "enlargement-light" approach that envisions an ever more tightly integrated Euro-Mediterranean region. The idea that the EU can use these outdated and rather limited tools in order to shape the ongoing transitions in line with its ill-defined ideas of western-style liberal democracy is ultimately self-defeating. Instead, the EU will have to part with its existing "donor mentality" and move towards real partnerships and people-to-people confidence building measures.

5. Recommendations

- **Conditionality:** The possibility that the EU attempts to "shape" the emerging democracies through leverage is inherently problematic. Negative conditionality (less-for-less) is very useful in order to send a clear political message – such as in the case of Syria – but is unlikely to be effective in incentivising specific reforms or to serve as a deterrent, as the case of Iran has shown. Instead, EU public diplomacy ought to become more forceful and direct when addressing its close partners, like Jordan and Morocco, which are most likely to listen. The space for positive conditionality (more-for-more), on the other hand, is rather limited, given dwindling resources and the EU's sagging power of attraction. Perhaps the best alternative of the EU is to focus the use of conditionality on very narrowly defined objectives, such as freedom of speech, by applying clear benchmarks and automatic triggers that lead to a reduction in funding.² Regardless, the EU will have little control over the direction of change.

¹ The EU has enforced sanctions on individuals and companies connected to the old regimes during most of the public uprising as a tool to pressure the regimes. In the case of Syria, these sanctions have been much more comprehensive, including the crucial oil sector as well as an arms embargo and sanctions on certain financial products.

² See Rosa Balfour, "EU Conditionality after the Arab Spring", EuroMeSCo Working Paper, 16.06.2012; Richard Youngs, "Funding Arab Reform?", GMF Mediterranean Programme, Policy Brief, August 2012.

- **Civil society:** The EU could do well to promote dialogue across the Mediterranean, but also amongst southern civil society organisations, in order to prevent the dangerous segmentation of southern civil society. Greater dialogue and cooperation with Islamic donors and NGOs is particularly important in this regard, in order to prevent a politicisation of civil society assistance and to break down mutual stereotypes and misperceptions. Moreover, while there are good reasons for the EU to emphasise the watchdog function of civil society, it should promote a cooperative and consensual style of state-society relations and avoid undermining the legitimacy of new state institutions. Finally, the EU should apply its civil society concept more flexibly and acknowledge the potential of counterpart traditions in promoting pluralism and democracy.³
- **Inclusive Growth:** In a time of tightening fiscal budgets, any substantial increase in ENPI funding for the region beyond the current Commission proposal appears unrealistic. However, there is much room for upgrading EU support when it comes to trade (especially agriculture products) and mobility.⁴ Greater progress on these issues would not only help the region but also has the potential of kick-starting growth in Europe. But rather than relying on lengthy and acrimonious negotiations of DCFTAs and mobility partnerships, more urgent action is required. The idea of extending the EU-Turkey customs union deserves serious consideration.⁵ Similarly, the EU could do more to foster regional trade and integration by supporting the revival of the Arab Maghreb Union and other regional initiatives and by reassessing the EU-sponsored Agadir Process.
- **Comprehensive regional strategy:** While the Arab Spring has been disconnected from issues such as the Middle East peace process, the failure of the EU to re-think its approach to this and other regional issues is dangerous. The potential for spillover is considerable and clinging to old realities does not seem to make much sense in the new context. One way forward to encourage a more comprehensive strategy that goes beyond the “transitional paradigm” could be by reviewing the 2000 EU Common Strategy for the Mediterranean Region, which would enable a discussion on more strategic regional issues. This would also provide an opportunity for the EU to reconsider the future role of the Union for the Mediterranean and to rethink its relationship with “new” regional actors such as Qatar and Turkey and emerging external actors such as China.

³ See Timo Behr & Aaretti Siitonen, “**Building Bridges or Digging Trenches: Civil Society Engagement after the Arab Spring**”, FIIA Working Paper 77, January 2013.

⁴ See Haizam Amirah-Fernández & Eduard Soler i Lecha, “**Towards a Paradigm Shift in Euro-Mediterranean Relations**”, in Elvire Fabry (dir.), Think Global - Act European (TGAE III), Notre Europe, June 2011.

⁵ See Iana Dreyer, “**Trade Policy in the EU’s Neighbourhood: Ways forward for the Deep and Comprehensive Free Trade Agreements**”, Studies and Research No. 90, Notre Europe, May 2012.