



**Promoting Political and Economic Reform in the
Mediterranean and Middle East**

By Fraser Cameron and Eberhard Rhein

EPC Issue Paper No. 33
18 May 2005

Contents

1. Introduction
2. The Importance of the Region to the EU
3. Barcelona – an Assessment
4. The EU' s Neighbourhood Policy (ENP)
5. What Priorities for the next 10 Years?
6. Has Democracy a Chance? What Role for the EU?
7. Working with the US?
8. A more forceful policy towards the Gulf countries?
9. Conclusions

1. Introduction

The geopolitical situation of the Mediterranean and the Middle East has changed significantly since the Barcelona Process began in late 1995. The terrorist attacks of September 2001 and the war in Iraq have given the region a new centrality in global affairs. For the USA, the wider Middle East is now the most crucial area for US foreign and security policy. The EU has also agreed to give more priority to its southern neighbours who have been feeling neglected as the EU was heavily involved in eastern enlargement and the negotiations for a new constitution.

The economic situation of the region has improved in recent years, thanks above all to substantially higher export revenues from oil/gas that remain the economic mainstay of the region, together with tourism. But politically, nearly all-Arab countries have been slipping further behind. The third Arab Human Development Report (2004) has rightly drawn attention to a long catalogue of deficiencies including a lack of democracy and slow economic reforms.

This Issue Paper is part of the EPC's Enlargement and Neighbourhood Europe Integrated Work Programme. It considers the importance of the region for the EU, assesses the achievements of the Barcelona Process, looks at present EU policies towards the region, including the European Neighbourhood Policy (ENP), asks whether democracy is possible in the region and examines the prospects for EU-US cooperation in the wider Middle East.

The authors put forward proposals for EU priority action, though they are well aware that progress will depend on decisions made by the countries in the region themselves.

2. The Importance of the Region to the EU

The Mediterranean and the entire Middle East region (defined here as reaching from Morocco to the Gulf) are of crucial importance to the EU. They are part of the EU's neighbourhood. Together with Russia the region is the most important source of energy supply to the EU. The EU is the main trading partner of all countries in the region. The MED countries send 50% of their exports to the EU. Europe is the largest foreign investor in its MED neighbours (55% of total FDI). The EU is the largest provider of financial assistance and funding for most Mediterranean countries, with nearly €3 billion per year in loans and grants flowing to the region. In addition, the Member States of the EU provide substantial additional amounts of bilateral development assistance. The EU is also the main source of tourism. At the same time, it is the first destination for migrants,

legal and illegal, who form a sizeable *diaspora* (almost 10 million people altogether, mostly from the Maghreb) in countries like France, the Netherlands or Belgium.

The EU is rightly concerned about the situation of its southern neighbours. European leaders worry that the south may not be able to cope with the challenges ahead (rising unemployment, social unrest, rapid urbanisation, globalisation, population growth, fundamentalism, water scarcity, etc). Many Europeans fear that the flood of illegal immigrants into Europe will continue to swell and have a profound effect on the European labour market and its society. The region's precarious political, social and economic systems constitute a potential security threat.

For these reasons, the EU has a major interest in the reform process among its neighbours and should be as forthcoming as possible in providing assistance. The first priority is political reform – more democracy and respect for the rule of law. Economic reform is another priority, as the southern neighbours need to create 5 million jobs a year to cope with new entrants to their labour markets. A third priority is improving the quality of education. Lastly, the region has to counter the rapid environmental deterioration of the region. These priorities are explored in greater detail below.

In encouraging the reform process the EU has to take into account the profound differences between its neighbours in Eastern Europe and those around the southern shores of the Mediterranean. The EU is entitled to “impose” upon its European neighbours and potential Member States, the ground rules of political, economic and social behaviour that it requires all member countries to respect. The EU has no right to do the same with respect to its Southern neighbours. It can only encourage reform processes and act as a facilitator. Equally, the European neighbours are very serious about reforms, as the desire to join the EU is overwhelming, thus wide-reaching, even painful, reforms are essential. This has been the single motivating factor behind the profound transformations that have taken place throughout the region. The high educational and scientific standards in Eastern Europe generate a much higher positive socio-economic development in Eastern Europe than in the Arab world.

Whatever these differences, any reform process must remain the exclusive responsibility of the country concerned. Outsiders, even close neighbours, should only interfere in case of a serious violation of human rights. Even if the EU tried to “impose” reforms in the Mediterranean region, it would lack the power to implement them. The implementation remains the prerogative of national authorities. However, the EU's “sticks and carrots” are insufficient to motivate national authorities to implement reforms that weaken their own power status.

3. Barcelona – an Assessment

The tenth anniversary of the Barcelona Declaration falls on November 28, 2005 and will be a useful occasion to take stock of its achievements and shortcomings. The Process was ambitious. Its goal was to convert the Mediterranean Sea into a zone of peace, stability and prosperity.

To that end, the EU proposed:

- to establish a vast Euro-MED free trade area to be completed by 2010
- to increase its development assistance substantially
- to conclude Association Agreements with each of the neighbouring countries in the MED
- to establish a political dialogue with all the countries around the MED including Israel.

Since 1995, the Barcelona parties have established numerous ministerial and official bodies to oversee the Process but have failed to secure visibility and popular support. Not one person in a thousand in the EU and even less on the other side of the MED has any idea of what the Barcelona Process is about, though official documents remain widely optimistic. The most recent Commission Communication (April 2004) outlines a ‘strong partnership driven by a common political will to build together a space of dialogue, peace, security and shared prosperity.’

What has been achieved concretely during the past 10 years?

1. All MED countries have negotiated Association Agreements providing for reciprocal free trade with the EU.¹ But only Israel has lifted all obstacles to trade with the EU. The other neighbour countries, with the exception of Syria and Libya, are in the process of completing free trade with the EU, but only Tunisia and Morocco will have abolished all tariff barriers on manufactured products and imports from the EU by the target date of 2010. The completion of the Euro-MED free trade area will therefore be delayed beyond 2015.
2. Morocco, Tunisia, Egypt and Jordan signed a free trade agreement (Agadir Agreement) in 2004. It provides for free trade by 2006. This agreement has considerable potential in encouraging more intensive

¹ Agreements are in force with Morocco, Tunisia, Egypt, Jordan, Israel, the Palestinian Authority, and Lebanon. With Algeria, the agreement has been signed and is awaiting ratification. An agreement has been initiated with Syria. Libya is not formally part of the Barcelona Process and has therefore not entered into negotiations for an Association Agreement.

trade relations among MED and EU countries, provided all parties apply the identical, “generous” rules of origin (the so-called pan-European rules of origin). Other MED countries are free to join the Agreement - Lebanon has already expressed its intention to do so and other Arab countries in the Gulf might join in the future. Unfortunately, the agreement has yet to come into force. Economic cooperation among the southern MED countries still remains in its infancy, due to lacking political will, low economic complementarity, inadequate transport links and high trade barriers. That may change in the future, as the level of development is bound to rise and trade obstacles will be progressively removed, including a more efficient handling of merchandise in ports.

3. Both sides have proceeded with specific trade liberalisation measures on key agricultural products. Essentially, the EU grants tariff free access for the main products coming from the South - potatoes, tomatoes, citrus products, olive oil, beans, etc. - during the winter season, but within rather modest tariff free quotas. These arrangements are reviewed periodically. However, agricultural products amount to less than 10% of bilateral trade between the EU and its MED neighbours. Its potential remains relatively modest whatever the protection applied by either side.
4. There has been a timid expansion of regional arrangements including a Euro-Med parliamentary assembly, a cultural dialogue and a cultural foundation in Alexandria.
5. The two sides have held a multitude of meetings, seminars and workshops. They meet every six months at foreign minister level and several times per year at the level of high officials to discuss such issues as terrorism, weapons of mass destruction, illegal immigration, liberalisation of services, etc. Trade ministers have also met occasionally. This flurry of meetings and reciprocal visits certainly has had a useful socialisation effect. But despite innumerable hours of discussion, the parties have failed to agree on a common Charter for Peace and Stability, which thus had to be taken off the agenda in 2000.

In conclusion, progress towards the goals set out in the Barcelona Declaration has been slow. This is due to political difficulties caused by continuing conflicts in the region (most notably the Arab-Israeli conflict), a reluctance to implement agreements and the impact of the consensus principle.

For pragmatic reasons, the EU has preferred to attempt to stimulate economic reforms – free trade, customs administration, protection of intellectual property rights, competition policies, macro-economic stability

– rather than to address politically sensitive issues relating to democracy or the rule of law. Progress has been greatest in such countries as Tunisia, Morocco and Jordan which concluded Association Agreements almost 10 years ago.

The most regrettable shortcoming of the past 10 years has been the slow pace of socio-economic development. Per capita income has gone up 1-2% per year, compared to 4% in Eastern Europe or even more in the Asian “tiger countries.” The MED region has thus fallen behind wider global developments. Their combined efforts toward reform have been insufficient in light of the huge challenges each country is confronted with, in particular rising unemployment and environmental hazards.

4. The EU’s Neighbourhood Policy (ENP)

In 2003/04, the EU conceived its European Neighbourhood Policy (ENP) in view of offering its new Eastern European neighbours (Ukraine, Belarus, Moldova, Georgia, Armenia and Azerbaijan) an alternative to membership. After some hesitation, it decided to offer the same type of structured relationship to its Southern neighbours. This created some confusion, as the Southern neighbours were contractually in a more advanced situation than the new Eastern neighbours. Indeed, their Association Agreements were more substantial than the Partnerships Agreements concluded with Ukraine, Moldova or the Caucasus countries.

In accordance with this new approach, the EU signed Action Plans with Morocco, Tunisia, Jordan and the Palestinian Territories in 2004. These documents, valid for a 5-year period, constitute a sort of “check list” of some 100 political, juridical and economic reform steps, which partner countries should define with more precision, including appropriate timetables according to their political priorities. The EU has no control over the implementation of the Action Plans in the partner countries. It should, however, offer as much technical assistance (e.g. for twinning devices) and financial support (e.g. for overdue educational reforms or population policies) as possible to successfully carry out reforms. But it will not be in the driver’s seat. It will not try to impose itself - if a country does not want to push ahead with reforms, it will have to bear the consequences.

The Action Plans are innovative in relation to the past practice of bilateral cooperation: they provide an all-embracing blueprint for modernisation of legislation and executive practices and their reach extends not only to the economic and financial spheres but right to the core of political issues, from election practices to freedom of assembly and media and full respect of the rule of law. Those governments who wish to proceed with reforms

find the Action Plans to be a useful steering tool. It allows them to draw upon the extensive experience of EU countries, especially its newest members, in devising and implementing reforms.

The EU should therefore be fully prepared to assist those countries that are truly willing to engage in reforms. It should focus its limited energy on these countries. Sooner or later others will follow suit, when they realise the benefits of reforms in their neighbourhood.

5. What Priorities for the next 10 Years?

Compared to 1995, the overall setting in the MED has changed. Three of the former neighbours have “changed sides” or are in the process of doing so: Malta, Cyprus and Turkey have become Member States or are candidates for EU accession.

Israel has distanced itself more and more from its Arab neighbours: it has turned into a high-tech country, not very different from an EU Member State. Its political governance, technical rules and regulations have become similar to those applied by the EU and it is more deeply integrated within the EU – through scientific and cultural changes, similarities of values and work/consumption patterns – than any other country of the MED and Middle East. It could become an ideal economic partner for its Arab neighbours if it finally seized the opportunity to make peace with the four million Palestinians by withdrawing from their territories and thus paving the way for Palestinian statehood.

The nine Arab states (excluding Libya and including the Palestinian Territories) on the southern and eastern shores of the MED will therefore constitute the primary “target” of ENP in the South. It is there that the problems of governance, freedom, education, environment and, last but not least, demographic growth and employment will persist, with potential negative fall-outs on the northern shores by way of illegal migration, drug-trafficking and even terrorism.

The EU continues to have a fundamental interest in political stability, rising welfare levels, lower unemployment and higher environmental standards throughout the region. It will constantly have to check and review its policies to ensure that they are consistent with the over-arching policy objectives of the Barcelona Declaration: peace, stability and prosperity. It cannot afford to deviate into non-essential areas.

First, it must exert stronger pressure on Israel to withdraw from the Palestinian territories and level the way towards a peaceful arrangement between the hostile cousins. This is essential not only for the two small

neighbours themselves but for the integral region: as long as there is no peace between Israel and the Palestinian Territories, Arab regimes will continue to use the ongoing conflict as a pretext for not vigorously tackling their domestic priorities.

For similar reasons it is about time that the EU “meddled” more forcefully in the unending saga of the Western Sahara, which has been one of the stumbling blocks to more economic cooperation/integration among the Maghreb countries. If the neighbours are serious about a partnership, it should be possible for the EU (or individual Member States) to convince Algeria and Morocco to finally come to terms with this issue and address their common Maghreb future, taking inspiration from the Franco-German relationship since 1950.

Second, there is no alternative to EU-MED free trade. The MED neighbours, most of them WTO members, will have to dismantle protective barrier among themselves and towards the EU in order to emerge with globally competitive manufacturing industries. They have indulged in the perception that there is no need for their textile, garment and mechanical industries to raise standards of efficiency, e.g. by outsourcing, for far too long. China’s ‘super-competitiveness’ now poses serious problems for them. The EU cannot do much in this regard but to encourage its neighbours to improve the investment climate, abandon excessive ‘red tape,’ accelerate privatisation and dramatically improve the quality of the judiciary, with special emphasis on commercial courts. All Southern partners need well-trained and better-paid judges, appointed for life, and capable of acting independently of any political influences. As long as international business does not trust the effectiveness and independence of the judiciary, it will continue to shun the countries around the Mediterranean. An inflow of more foreign direct investment (FDI) from whatever origin is the best contribution to greater competitiveness, as we have witnessed in the new Member States. The improvement of the business climate must therefore be a key priority in the joint Action Plans.

Third, in the long-term perspective, the region must tackle its widening shortcomings in the field of education and training. This goes for the modernisation of teaching methods and curricula, the training of teachers, enhanced efforts to expand literacy in the countryside, particularly for girls, and, last but not least, improved buildings and equipment. The EU Commission has rightly put education among the priorities for future financial assistance. It must implement this good intention quickly by resorting to unconventional financing methods, e.g. substantial multi-annual grants to those countries who are able to demonstrate their political will and administrative probity to revolutionise their educational systems, with an emphasis on primary and technical education.

Fourth, the region must tackle its deteriorating environment. Cities are suffocating from toxic emissions and noise levels due to increasing traffic, scarcity of water, and pollution of riverbeds. In addition, industrial activity and maritime shipping have eroded the natural environment of the sea and rivers. Governments have seriously neglected this issue and have thereby exposed their growing populations to rising health hazards. The Commission rightly insists on the need to clean up the Mediterranean Sea to protect it from oil and waste shipping spills. But that is only one side of the coin of shared interests. The Action Plans contain basic elements to tackle the more domestic issues that require effective answers through environment policy. The EU has an excellent record in setting environmental standards for itself. It should convince at least some of its Southern neighbours to adopt similar standards and implement them progressively. There is a real sense of urgency here, as the implementation of strict environmental standards will require at least a ten-year transition period.

6. Has Democracy a Chance? What role for the EU?

In recent months a number of developments have given rise to speculation that democracy might be burgeoning in the Arab world. The most important events include the peaceful presidential elections in the Palestinian Territories and the sight of the over 8 million Iraqis who turned out to vote in the first-ever free elections in that country. US President George W. Bush has even publicly called for a political sea change in Saudi Arabia and Egypt, two long-standing authoritarian allies of the US.

However, although there are signs of early democratic developments, the latest UN Arab Human Development Report paints a bleak picture of democracy's progress in the region. The report blames the "freedom deficit" for a wide range of problems, including sluggish growth rates, poor performance in science and innovation and widespread human rights abuses. Oppression is bad for governments too, because it deprives these of legitimacy and provides outside powers with a pretext to intervene in Arab affairs.

Indeed many Arab regimes practice what the report terms a "legitimacy of blackmail," sustaining their power by posing as the only protection against chaos or a takeover by Islamist extremists. Another common feature is what the authors call the "black hole" state. Arab republics and monarchies alike grant their rulers such unchallengeable power as to "convert the surrounding social environment into a setting in which nothing moves and from which nothing escapes." The authors describe a life-long system that whittles away at personal freedoms, beginning with patriarchy and clannishness in Arab family life, extending through to school systems that

favour the parroting of fixed ideas rather than open inquiry, and on through to citizenship restricted by arbitrary laws and limits to free expression. Out of 21 Arab countries, 17 prohibit the publication of journals without hard-to-get licences, seven ban the formation of political parties altogether, and three (Egypt, Sudan and Syria) have declared permanent states of emergency that date back decades.

Aside from piecemeal reforms in several Arab countries, the most significant trend noted is the growing acceptance, by governments as well as the public, of the urgency of change. In recent years a broad consensus has emerged around the idea “that the heart of the failing lies in the political sphere, specifically in the architecture of the Arab state.”

Yet in no Arab country has pressure for change resulted in a fundamental shift of power away from long-ensconced elites. Bahrain, for example, is often praised for moving towards democracy. Yet its parliament remains half appointed and the 70% Shia majority complains that it is woefully under-represented. Qatar is another small, rich Gulf state which has progressed quickly, but its rulers have just stripped some 5,000 Qataris of their citizenship, apparently because they belong to a clan deemed disloyal.

The EU has never been totally serious about using conditionality to promote reform. There are clauses in the Association Agreements (Art. 2) that provide for their suspension in light of violations of human rights and democratic principles, but they have never been invoked.

To give it credit, the Commission keeps on trying:

- It put forward a Communication in May 2003² arguing that political reform was the key to achieving sustainable security and stability.
- The Action Plans contain a long chapter concerning democracy and the judiciary.
- It has proposed a conference on human rights in 2006.
- Most important, it pledges to increase finance for partners with a clear commitment to political reforms.

Nothing would be more inappropriate than excessive zeal. The EU neighbour countries in the South understand the mechanisms and advantages of democracy, respect for human rights, the rule of law and a well-functioning judiciary perfectly well. But, for various reasons, above all the self-interest of those at the top, their governments fail to take the appropriate action. Their elites benefit too much from the status quo to ask for reforms that may leave them worse off.

² Reinvigorating EU actions on Human Rights and Democratisation with Mediterranean Partners (COM) 2003) 294.

Democracy cannot be imposed from the outside, however well intentioned the outside parties may be. Ukraine is a case in point. But who dares to envisage an “Orange Revolution” with the necessary follow-up – clean-up of corruption, democratic decision-making and strict observance of the rule of law - in many Arab countries in any near future?

Lebanon has become the most shining example of hope for establishing a functioning democratic system. The country has gone through something similar to the “Orange Revolution” in Kiev. Beirut has seen the biggest-ever peaceful demonstrations in the Arab world. There is a better chance than ever before for democratic free elections in May/June and the formation of a government of national unity to tackle the enormous challenges the country will be confronted with following 30 years of exasperating internal conflicts and external occupation/domination by Syria. Superficially, the EU’s role in this process has been marginal. Still, the call for withdrawal of foreign troops from Paris and Brussels was audible. Lebanese civil society and opposition parties knew perfectly well that Europe was more than pleased about the changes towards freedom and the rule of law in their country. Equally the Syrian government was only too well aware that without the full withdrawal of its army and “security forces,” there would be no chance to upgrade cooperation with the EU.

Equally, the EU should assist the emerging opposition in Egypt which is preparing to campaign freely ahead of the presidential elections this autumn. The EU should make it public knowledge that it intends to consider the fairness of this election as a test case for serious political reforms. The idea of having election monitors from Europe and the MED to oversee presidential and parliamentary elections should be encouraged. Hopefully, Egypt could become a first case of application in the autumn of 2005.

Those who are pushing for reforms in the South must have trust in the EU to help them in their struggle to promote democracy and human rights. The EU should also abandon its reservations about entering into a dialogue with Islamists, provided they renounce the use of force as a means of winning the power. The forthcoming elections in the Palestinian Territories will be an interesting test case for an open democratic struggle between secular and “religious” parties.

Publishing annual “reform progress reports” for the MED countries in English and Arabic, as the EU has successfully done for the accession countries, would be another useful step to disseminate objective information about the reform process across the region.

In conclusion, the buds of democracy in the Arab world are bound to prosper to full strength. People want to have their say on who governs them, not only in Europe but also in the Arab world. They want to be free to criticise their governments and overturn them by taking to the ballot box. The EU has to become more vocal in pressing this basic point to its partners in the South. It has to find a discreet way of passing this message on to those who are at the helm to convince them of the need to introduce long-overdue changes in their systems of governance.

7. Working with the US?

One of the questions to be discussed is to what extent the EU and US should cooperate in encouraging the reform process in the region. In 2003, the US launched its Greater Middle East Initiative with much fanfare, but with few resources, having carried out no consultation with the EU or indeed the countries in the region. The initiative, now renamed the Broader Middle East Initiative, is the flagship foreign policy of President Bush's second term and is a direct response to 9/11 and the 'war on terrorism.'

Given the dismal public image of the US in the region, it is questionable whether the EU would gain anything from too open an association with the US. The US is trying to improve its public image, notably through the appointment of Karen Hughes as Head of the State Department's Public Diplomacy, but it is difficult to see a change in attitudes until the US is seen to be a more neutral power broker in the Arab-Israeli dispute.

For these reasons the EU would not be well advised to "gang up" with the USA in its efforts to help its Arab neighbours advance political and economic reforms. However, the EU should informally liaise with the USA as closely as possible. Both should share their assessments of the situation and their experience. But they should operate separately, through their respective means.

A related question is to what extent the EU and NATO should cooperate in the region. Although the EU is far more engaged than NATO, the Alliance does play a useful role in holding security dialogues with Mediterranean partners and promoting security sector reform.

8. A more forceful policy towards the Gulf countries?

The nine Gulf countries – from Iran to Yemen - are even more important to the EU than the Arab countries around the MED. It is there that 50% of the oil reserves and one third of the known gas reserves are situated. Also, the prospects for economic growth for the coming 20-30 years appear much brighter than in the MED, thanks to further rising prices of fossil energy.

The intensity of economic, cultural and political links with the Gulf countries is substantially lower than for the MED neighbours, due to greater geographic, historic and cultural distance, but above all due to the fact that the Gulf countries look beyond Europe for their economic and political ties. Asia is their future export outlet; and the USA is the provider of “security” and higher education for them, with the notable exception of Iran.

The EU has therefore been at pains to engage in a productive dialogue and cooperation. The level of contacts is infinitely lower than with any of the MED countries. Until 2004, the EU Commission had not a single full-fledged Delegation anywhere in the region! Yes, Cooperation Agreements have been in force with the six Gulf Cooperation Countries (GCC) countries for more than 15 years and with Yemen for almost 10 years. Yes, the EU has been trying to establish contractual links with Iran for more than 15 years, without success so far. And EU and GCC foreign ministers meet regularly once a year for a broad exchange of views. But all this is far from the strategic relationship the EU – and individual Member States – have established with Russia, China or Ukraine.

The EU should not be content with these lukewarm achievements. It can do more to improve the relationship, in substance and atmospherics. But the EU cannot change geographic, energetic or geo-strategical realities. Here are a few practical suggestions of what might be done to improve the relationship with the 9 Gulf countries:

1. The EU has to affect substantially more human resources. Less than a dozen EU officials deal with a region that is so vitally important for humanity. The Commission and, after its establishment in 2007, the “European External Action Service” should remedy this shortcoming as a matter of urgency.
2. The EU should intensify its long-standing energy dialogue with the GCC countries. EU officials should meet their counterparts every six months to discuss medium and long-term market trends, investment opportunities in the region, transport aspects, etc. Whenever appropriate, European energy companies should be involved.

3. The EU should encourage all countries in the region to join the WTO and offer them whatever technical assistance necessary to that end.
4. The EU should bring the negotiations on a free trade agreement with the GCC to a rapid conclusion. With a bit of imagination and good will from both sides, it should be possible to find a mutually acceptable solution for the issue of “double-pricing” on oil/gas feed stuff for down-stream operations.
5. It should encourage the GCC and MED countries to establish free trade agreements among themselves: linking GCC and AGADIR FTA’s.
6. European businessmen in the region should establish an “EU Chambers of Commerce” in the major trading countries: Saudi-Arabia, Kuwait, Iran, and Iraq, following successful precedents in Korea, Philippines, Thailand, China and Taiwan. The EU should offer a modest financial assistance for the launch period.
7. Most important of all, the EU should try to convince the three principal powers – GCC, Iran and Iraq – of the need for a comprehensive security relationship among themselves. This sounds like a surreal proposition at the present moment when Iran seems bent on a “nuclear power status”, Iraq is busy restoring its sovereignty and the GCC cooperation shows signs of weakness. But strange as it might appear, the EU might be the only credible power to undertake such an impossible task that is of vital importance for the stability in the region and the world.

9. Conclusion

The region will remain of critical importance to the EU for decades to come. The EU has no choice but to become deeply and permanently involved in the reform process, as a failure to reform could seriously affect the EU’s security and future energy supplies.

Though the emphasis will continue to be on the Mediterranean countries, the EU should progressively encompass the countries in the Gulf - from Iran to Yemen - in its wider neighbourhood policy, as it has done in the Caucasus and as the US are doing with their Broader Middle East Initiative.

The EU must recognise the limits of its influence and understand that in order to be successful, it has to respect the sensitivities and priorities of its

neighbours. It has to respect and support their agenda while remaining faithful to its own values. It should not hesitate to abandon its support for governments that undertake only token reforms or worse still, governments that have a disregard for essential political rights and personal freedoms. Patience and perseverance are the names of the game. The Reform process needs to be given time in Europe and even more so in developing countries. One key area will be to support the emergence of democratic opposition; too often current rulers portray choice as stability or chaos.

Finally, whatever substantive approach the EU may choose to take, it should must not overlook visibility. It should address clear and consistent messages to the layperson in the street using the most effective means of communication and dissemination. The role of the mass media will prove essential to this pursuit.

The role of Arab women		Seats in parliament 1997-2004, % of total*		Literacy rate 2002 % of ages 15 & above	
Algeria	6.2	59.6	Morocco	10.8	38.3
Bahrain	0	84.2	Oman	‡	65.4
Djibouti	10.8	†	Qatar	‡	82.3
Egypt	2.4	43.6	Saudi Arabia	0	69.5
Jordan	5.5	85.9	Sudan	9.7	49.1
Kuwait	0	81.0	Syria	12.0	74.2
Lebanon	2.3	†	Tunisia	11.5	63.1
Libya	†	70.7	United Arab Emirates	0	80.7
Mauritania	3.7	31.3	Yemen	0.3	28.5

Source: Arab Human Development Report 2004

*Lower or single house †No data available ‡No parliament