

Khalil Al-Anani, Zeidan Ali Zeidan, Moncef Cheikh-Rouhou, Arslan Chikhaoui,
Ahmed Driss, Moaaz Elzoughby, Bassma Kodmani, Mehdi Lahlou, Ziad Majed

The Future of the Mediterranean

Which Way for Europe and North Africa?

Europe in Dialogue 2011 | 01



Europe in Dialogue

The Europeans can be proud as they look back on fifty years of peaceful integration. Nowadays many people in the world see the European Union as a model of how states and their citizens can work together in peace and in freedom. However, this achievement does not automatically mean that the EU has the ability to deal with the problems of the future in a rapidly changing world. For this reason the European Union needs to keep developing its unity in diversity in a dynamic way, be it with regard to energy issues, the euro, climate change or new types of conflict. Self-assertion and solidarity are the fundamental concepts which will shape the forthcoming discourse.

“Europe in Dialogue” wishes to make a contribution to this open debate. The analyses in this series subject political concepts, processes and institutions to critical scrutiny and suggest ways of reforming internal and external European policymaking so that it is fit for the future. However, “Europe in Dialogue” is not merely trying to encourage an intra-European debate, and makes a point of including authors from non-EU states. Looking at an issue from a different angle or from a distance often helps to facilitate the crucial change of perspective which in turn makes it possible to continue to develop Europe in a meaningful way and to engage in a critical and yet courteous discourse with other civilizations and continents.

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Europe in Dialogue 2011/01

Imprint:

© 2011 Bertelsmann Stiftung, Gütersloh

Managing editors:

Joachim Fritz-Vannahme, Armando García Schmidt

Translations:

CPSL Documentation & Tools GmbH, Ludwigsburg
and Barbara Serfozo, Berlin

Language editing:

Barbara Serfozo, Berlin

Copy editor:

Armando García Schmidt

Cover photo:

Photodisc, Hamburg

Print:

media and more GmbH, Gütersloh

ISSN:

1868-5048

www.bertelsmann-stiftung.org

The Lights are on Everywhere

Charles Simic

The Emperor must not be told night is coming.
His armies are chasing shadows,
Arresting whip-poor-wills and hermit thrushes
And setting towns and villages on fire.

In the capital, they go around confiscating
Clocks and watches, burning heretics
And painting the sunrise above the rooftops
So we can wish each other good morning.

The rooster brought in chains is crowing.
The flowers in the garden have been forced to stay open,
And still yet dark stains spread over the palace floors
Which no amount of scrubbing will wipe away.

"The Lights Are on Everywhere" from THAT LITTLE SOMETHING: Poems by Charles Simic. Copyright (c) 1990 by Charles Simic. Used by permission of Houghton Mifflin Harcourt Publishing Company. All rights reserved.

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Europe and North Africa: Towards a New Culture of Dialogue

Armando García Schmidt and Christian-Peter Hanelt

Dear Reader,

You have just picked up and opened the third volume of the *Europe in Dialogue* series. *Europe in Dialogue* promotes lively debate about the future of the European project by providing a forum in which creative approaches can make themselves heard. *Europe in Dialogue* also aims to stimulate debates between Europeans and their neighbors in a rapidly changing world.

In this volume, we contribute to recent debates on the future shape of relations between North Africa and Europe. Having been subject to decades of authoritarianism, citizens across the Middle East and North Africa region are demanding their say in determining the political future of their countries. Governments in the region have responded in different ways to the public uprisings in recent months. Some demonstrated responsiveness to their peoples' demands, while others sought to appease their populations with lukewarm political reforms. Still others reacted with suppression, which has led to either peaceful revolutions (Egypt, Tunisia) or to violent conflict (Bahrain, Libya, Syria, Yemen). The political landscape in North Africa and the Middle East is more diverse than ever.

For the European Union and its member states, this means that their policy of accepting authoritarian rule in exchange for seeming stability—an ethically dubious political practice—has proven unsustainable. Now more than ever, the EU must be resolute in its pursuit of relations with its southern neighbors that are built on a shared vision of partnership and co-development in which civil society as well as the private sector have their say.

With this volume of *Europe in Dialogue*, we focus on the perceptions and needs of the people in North Africa specifically. We have invited eight experts and civil society representatives from across North Africa (each country is represented) and one Lebanese expert on democratic reforms to contribute their personal assessments of current developments and offer policy recommendations for the European side. Each author provides critical and candid accounts of current European policy-making as well as the factors determining national and regional developments in North Africa. On this basis they then offer straightforward recommendations. This volume of *Europe in Dialogue* is published simultaneously in English and in Arabic in order to stimulate the dialogue across the Mediterranean.

Ziad Majed is a Lebanese scholar. He has worked with the Arab Network for the Study of Democracy and is currently teaching at the American University of Paris. He offers concrete suggestions for the European Union in providing support for democratic transitions in the Arab world. His contribution precedes the articles with a more nationally bound view.

The key challenges facing Egypt as it undergoes transition are detailed in the next two articles. **Khalil Al-Anani** is an Egyptian scholar and instructor of Middle East politics at the School of Government and International Affairs at Durham University. He argues in favor of the European Union adopting a grand strategy in its relations with the Middle East and North Africa. This strategy should be driven by the pursuit of opportunities rather than the avoidance of perceived threats and by an open political dialogue with all parties of the region. **Moaz Elzoughby** and **Bassma Kodmani**, Egyptian scholars working with the Arab Reform Initiative, call upon the European Union to adopt an approach that allows Egyptian society to steer the process of transformation according to domestic priorities and capacities.

Zeidan Ali Zeidan speaks on behalf of the Libyan Society in Germany. He deplores the escalation of violence in his country of origin but is confident that the people of Libya will achieve democracy and freedom. In his opinion, the European Union can and must play a key role in supporting the Libyan revolution.

Moncef Cheikh-Rouhou and **Ahmed Driss** focus on Tunisia, where the first uprisings against authoritarian rule transpired. As Tunisian activists and scholars, both authors offer their view of developments from their respective disciplinary perspective. The economist Moncef Cheikh-Rouhou argues that a new attitude toward the region is needed in order to engender new synergies across the Mediterranean. Reconfiguring the modes of cooperation would, he suggests, allow for profitable investments in democracy. Exploring the political effects of cooperation, the political scientist Ahmed Driss introduces the concept of a “Comprehensive Regional Cooperation,” through which processes of reform in countries undergoing transition could be enhanced and yield a stronger partnership with the European Union.

Arslan Chikhaoui lives and works as a consultant in Algiers. Calling upon regional actors to take the lead in overcoming the acute and latent conflicts within the region itself, he identifies the Middle East and North African region as a primary recipient of armament supplies. The proliferation of weaponry throughout the region is an inherent threat to stability and economic development in a region with promising assets such as cultural homogeneity, young demographics and the strong potential in energy, industrial and agricultural production.

Mehdi Lahlou is professor of Economics at the National Institute of Statistics and Applied Economics and associated professor at the Mohammed V University in Soussi, Rabat. He suggests that the rise of democracy in North Africa will create a common discourse of democracy and pave the way for improved political and social communication as well

as economic relations between Europe and North Africa. This will usher in a more balanced relationship between the two that must be set within a new framework. Europeans and North Africans must be creative in this respect. Emphasizing that reality can be shaped by people, Lahlou claims that with “the victory of the Egyptian and the Tunisian revolutions, reality has gone far beyond all predictions.”

The authors’ contributions are preceded by a short summary of their recommendations and a timeline depicting the milestones of the Arab Spring, beginning in December 2010 and continuing through April 2011. In addition, three tables of key figures are provided that compare economic and social conditions, trade relations and demographic shifts between North Africa and Europe.

The debate about the EU’s relations with North Africa is ongoing. We have therefore included at the end of this volume an annotated selection of current analyses and position papers on the relations between the EU and North Africa that have been prepared by think tanks and NGOs.

Clearly, the views expressed by the North African activists and intellectuals in this volume are theirs alone. Nonetheless, the majority of concerns they raise dovetail more generally with the issues addressed by the German-based think tank the Bertelsmann Stiftung on the occasion of its 13th Middle East conference, the Kronberg Talks, which are to be held in May of 2011 in Rabat.

In a strategy paper published by the Bertelsmann Stiftung, the EU must address the conflicts’ humanitarian crises and destabilizing effects, which include the flow of refugees fleeing North Africa and the disruption of public services, food and medical supplies. At the same time, Europeans should continue encouraging their partners in the region to embark on a policy of reform aiming for political transformation, sustainable economic development and civic empowerment. On a related note, Europeans must

reflection upon and reconsider the different strands of their Middle East policy.

With view toward political developments, European leaders should signal to their partners their willingness to offer technical and financial support as well as know-how for political transformation processes—if and when desired. This could include support in establishing political parties, unions and other political associations, assistance in organizing and monitoring elections, or advice in implementing legal reforms.

Reconceptualizing European cooperation with its southern neighbors should also include establishing a joint vision for economic and societal cooperation and human development. Of particular importance in this regard are projects that address the micro-macro-economic mismatch driving economic grievances and unrest among local populations across North Africa.

Free access to the European market would allow North African economies to make use of their comparative advantages and help create much needed jobs, particularly in the agricultural products sector. Moreover, a liberalized migration scheme would prove beneficial for all parties. It would address the demographic challenges around the Mediterranean Sea and create new cultural and social bridges. Concepts of jointly managed circular migration should be given priority on the political agenda. In order to ensure a lasting effect on local labor markets, migrants should be empowered to develop their business ideas when they return to their home countries.

Cooperation in education and research is another effective means of bringing societies closer together. This cooperation should do more than invite Middle Eastern scholars to join European research centers and aim more broadly at creating capacities in the region while linking them to European research networks. Cooperation should also include partnerships on the level of secondary education, vocational training, governance of the education sector and related aspects.

In the long-term, a shared vision of sustainable energy security should be developed. Joint projects such as the Mediterranean Solar Plan or the private sector initiative of the Desertec consortium offer a blueprint for a partnership in the generation of energy from renewable resources. Projects like these would also go a long way toward creating urgently needed highly qualified jobs in North Africa.

A strong culture of open dialogue between Europe and North Africa will shape the contours of the new relationship being forged between the two regions. We hope that this volume of *Europe in Dialogue* serves as a constructive contribution to this dialogue.

This publication would not have been possible without the combined efforts of many. We would like to express our gratitude to the authors for contributing their ideas to this book and for delivering their essays under a tight deadline. Our gratitude goes as well to the translators at CPSL Documentation for their flexibility and excellent work in translating between Arabic and English. We would also like to thank Lana Odeh and Barbara Serfozo for their respective editorial work with the Arabic and English versions of this publication as well as Julia Seiler, who assisted the editorial work from start to finish. A heartfelt thanks to all of you!

What should the EU do? Recommendations at a glance

Ziad Majed: New Forms of Cooperation in the Mediterranean?

i) Institutional capacity-building

- Provide expertise to committees drafting new electoral laws
- Help to bring together judges and legal advisors to draft new legislation promoting the independence of the judiciary
- Train the police and security corps on the basis of loyalty to state institutions and constitutional political principles

ii) Economic cooperation and transparency

- Develop new frameworks for economic cooperation with public and private sector organizations
- Design joint projects, vocational training and specialized initiatives
- Invest in the development of the national economies and enlarge their social bases
- Decentralize projects geographically

iii) Civil society, women's rights and human rights monitoring

- Develop programs to strengthen civil society institutions, women's rights and human rights monitoring, e.g.:
- Training programs and the sharing of expertise in lobbying, campaigning and alliance-building in defense of local, professional or national interests

- Helping women's movements (and other movements working on gender issues) to develop agendas for reforms preventing the exclusion or marginalization of women
- Supporting the establishment of independent bodies, as well as agreements between state and civil society actors to make annual measurements or evaluations of public discourses and practices, laws, media programming, security services activities, women's participation, and other societal indicators

Khalil Al-Anani: Egypt and the EU

i) In terms of support for democratization, Egyptians expect the following from the EU:

- that it contributes political, technical and legal support toward the strengthening of institutions; for example, the EU should play an important role in supervising the next parliamentary elections
- that it strengthens the cooperative economic and trading relationship between Egypt and the EU
- that it plays an important role in supporting civil society and in developing civil society organizations
- that it intensifies the dialogue between Egyptian political forces and EU representatives

ii) The European Union should have a grand strategy in the MENA based on four pillars

- The Middle East region should be reconsidered as providing opportunities rather than being a threat.
- A political dialogue should be opened with all political parties in Egypt and other Arab countries.

- It is critical that EU countries take a decisive stance vis-à-vis the Arab revolutions, supporting the people and not the dictatorial regimes.
- The EU should establish bilateral relations with each individual country in order to support in the construction of local democratic foundations.

Moaaz Elzoughby and Bassma Kodmani: Transition in Egypt

i) No-go zones

- External actors should not try to get involved in the national debate about the role of religion in the constitution and the society.
- Nor should they support specific groups or agendas, or attempt to influence the various local actors' political strategies

ii) Priorities and areas of intervention will be defined by Egyptians

- There are clear indications that the Egyptian government is more accessible than before, and that the Egyptian transitional government and civil society groups alike are able to identify their own needs and set their priorities by themselves.
- External actors could offer to help Egyptians during this phase of priority identification, but it must be clear that this process is being led by Egyptians.

iii) Focus on actors and institutions rather than on themes

- External partners should focus on institutions and actors rather than on particular themes. E.g., previous efforts at reducing corruption and promoting transparency should be replaced with support to civil society initiatives able to play the role of watchdogs on issues of public integrity. Strengthening public institutions and civil society

organizations, and raising their capacity are the most valuable interventions.

- A key area for foreign assistance is the reform of local authorities and municipalities.

iv) Ending the tyranny of the growth rate

- The Egyptian ruling and intellectual elite is engaged in a profound reassessment of economic priorities. A consensus is emerging on the need to re-endow the state with a leadership role in restoring collective control of the economic process and carrying basic social responsibilities. But Egypt cannot undertake this shift without a supportive and understanding attitude from its international partners.

Zeidan Ali Zeidan: Libya on its Way to the Future

The EU plays an important role, not only through geographical proximity but also in view of a new framework for partnership between Libya and the EU. One of the biggest challenges is to make clear to Libyan citizens what democracy means and constitutional structures must be explained to Libyan citizens from the ground up. Assistance can also come from the local level in the EU, in the form of municipal partnerships with Libyan cities, for example.

The diversity of EU members is valuable in this respect. For example, Poland could help with reorienting the curriculum in Libyan schools, the Czech Republic and Slovakia could help build new political parties, while Luxembourg could address Libya's lack of a banking system.

Moncef Cheikh-Rouhou: The Future of the Mediterranean

If Europe wishes to play a genuinely supportive role, it should consider the following actions:

- Extending its financial safety net to Tunisia temporarily in order to discourage predatory financial attacks.
- Encouraging investment funds to provide support for self-employment by offering financial backing for new business creation.
- Contributing at the appropriate stages of public-private partnerships, particularly those aimed at creating new infrastructure.
- Encouraging joint ventures in the field of innovation and intelligent systems.
- Promoting improvements in training in areas central to the country's strategic future.
- Promoting three-way projects involving Europe, Tunisia and sub-Saharan Africa, due to the important potential synergies between the two African regions and Europe.
- Promoting visible competition for firms, entrepreneurs and workers.
- Promoting the creation of a "Labor Union University," in order to fill the present gap between management-backed and "politicized" unions.
- Promoting political figures' cooperation with the media, media training and readiness to conduct meaningful and fruitful pre-election debates.

Ahmed Driss: Tunisia and the European Union

i) Improving Europe's image

- European policymakers should make an effort to improve their image with Tunisia's new generations and elites, thus paving the way for restoring or even earning this group's confidence.

ii) Supporting civil society

- Civil society organizations should be given support in all fields, but most particularly in civil education and social development activities.

iii) Supporting the Tunisian economy

- The Tunisian economy should be supported either directly or through debt guarantees if Tunisia resorts to external borrowing.
- European firms should be encouraged to invest in Tunisia, possibly through a Tunisian-European Fund aimed at providing investment and capital at the lowest possible cost to young investors, in order to encourage entrepreneurship.
- The European Union can assist Tunisia through the creation of additional jobs in Europe, thereby absorbing a portion of Tunisia's unemployed population through legal and regulated immigration agreements.

iv) Towards a comprehensive regional cooperation

- Later on, the optimal framework for cooperation between Tunisia and the European Union can be considered. There is no need to choose between bilateral cooperation and the establishment of a comprehensive regional framework. An advanced level of bilateral

cooperation serves as encouragement to intensify reform efforts, and thus achieve a higher level of benefits and advantages.

- Comprehensive regional cooperation can be enhanced by strengthening bilateral cooperation, particularly in consideration of disparities between countries in implementing the objectives of the Euro-Mediterranean Partnership.

Arslan Chikhaoui: The Challenges of the Emerging North Africa Integration

The following issues should be addressed in order to sustain an emerging North Africa integration process:

i) Economic stability

The consolidation of trade relations and the promotion of equalized economic interests in the region.

ii) Military stability

The prevention of any state's military predominance within the Middle East and North Africa region, both with reference to Israel and the relative strength of North and South Mediterranean states.

iii) Stabilization of the protagonists

Support for those forces that contribute to cooperation and the equalization of interests in the region; further development of political cooperation in the sense of intensifying and institutionalizing dialogue.

iv) Avoidance of war and its consequences.

Mehdi Lahlou: Democracy in the South Mediterranean

i) Building democracy leads to a new balance

The drive to build democracy in North African countries also entails the striking of a new balance between European and North African countries. This will facilitate institution-based dealings between countries of the two regions, founded on a common reliance on justice and the rule of law, and will demonstrate to observers that these countries enjoy real stability. Foreign investment will return and increase, and the potential for economic and financial exchanges between Arab and North African countries on one side and European countries on the other will be dramatically improved.

ii) Towards a homogenous and integrated group

This kind of homogeneity and integration promises to lead to the effective establishment of an institutionalized North African economic association. This will help bring relations between North Africa and the European Union to a new level, and allow the construction of a semi-homogenous group that can serve as the basis for a union or association incorporating European Union nations and North African countries from the Maghreb to Egypt. This system would allow for the development of democratic structures.

iii) Make the new balance meaningful

- With such profound social and political transformations underway, it will be natural for advocates of freedom, democracy and advancement in North African countries to demand that the European Union reconsiders its approach toward North Africa. The new approach must be integrated and balanced, enabling it to serve the European peoples and economies as well as the communities and the cause of sustainable development in North Africa.

- Balance would mean that financial and economic relations should benefit both parties, not only those with capital.
- The new relationship should be based particularly on the principle of the free movement of individuals between the North and South Mediterranean.

Domino effect in North Africa:

Key events in the Arab protests since December 2010

17 December 2010

Tunisia: Nationwide mass protests against the regime of President Ben Ali break out.

05 January 2011

Algeria: First demonstrations against the regime of President Bouteflika.

13 January 2011

Tunisia: President Ben Ali announces that he will not stand for re-election in 2014.

14 January 2011

Tunisia: Following weeks of mass protests President Ben Ali flees to Saudi Arabia. The Speaker of Parliament Mebazaa takes over as interim President.

17 January 2011

Tunisia: Prime Minister Ghannouchi forms a transitional government including several opposition figures.

25 January 2011

Egypt: Mass demonstrations spread from Tunisia to Egypt. Thousands of protesters demand an end to the authoritarian rule of President Mubarak.

29 January 2011

Egypt: Mubarak appoints intelligence chief Suleiman as Vice President.

01 February 2011

Egypt: Hundreds of thousands of protesters gather for a „march of millions“. Mubarak announces that he wants to stay in office for the transitional period, but will not seek re-election.

11 February 2011

Egypt: After 18 days of massive protests President Mubarak resigns from office and turns power over to a Military Council until snap elections are held.

15 February 2011

Libya: First demonstrations against the regime of Libyan leader Gaddafi with bloody clashes between protesters and security forces.

20 February 2011

Morocco: Tens of thousands of demonstrators demand political reforms and more democracy.

24 February 2011

Algeria: The government lifts the state of emergency imposed in 1992 and thus fulfills one of the key demands of the opposition.

26 February 2011

Libya: Benghazi and other cities in Eastern Libya are under control of the rebels, while the capital Tripoli is still held by government forces.

27 February 2011

Tunisia: Prime Minister Ghannouchi resigns after continued mass protests, Essebsi is appointed as his successor.

02 March 2011

Libya: Troops loyal to Gaddafi launch a counter-offensive against the rebels.

02 March 2011

Tunisia: Interim President Mebazaa announces that elections to a Constitutional Assembly will be held on 24 July 2011.

03 March 2011

Egypt: Following protests against the transitional government the Military Council names the new Prime Minister Sharaf.

05 March 2011

Libya: The National Transitional Council is formed to act as the political representation of the rebels in Benghazi.

09 March 2011

Morocco: In reaction to the demonstrations King Mohammed VI announces a comprehensive constitutional reform.

17 March 2011

Libya: UN Security Council passes resolution 1973 which demands the immediate establishment of a ceasefire and a no-fly zone in Libyan airspace.

19 March 2011

Libya: Beginning of the international military intervention to establish a no-fly zone, to protect civilians from attacks and to enforce the arms embargo.

Egypt: In a referendum a majority of 77% of voters approve the constitutional reforms paving the way for free elections within six months.

13 April 2011

Egypt: Former President Mubarak is put under detention for 15 days for investigation on charges of corruption and abuse of power.

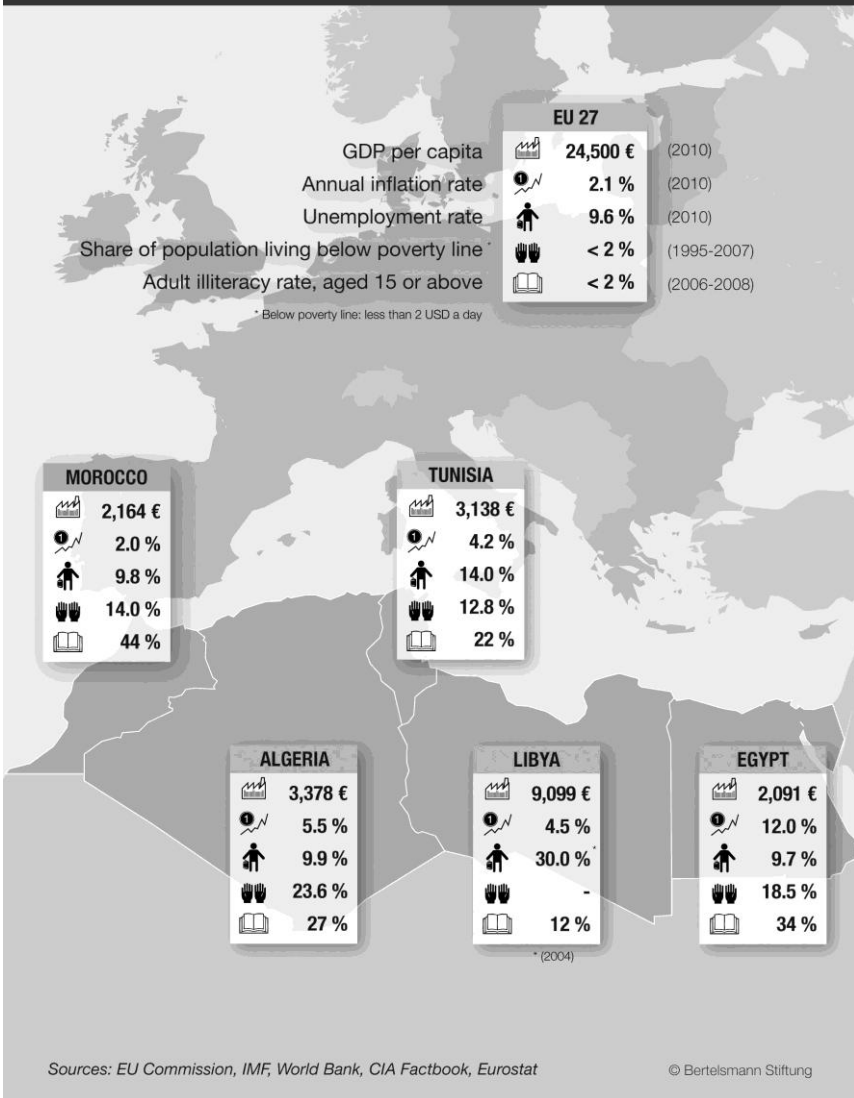
15 April 2011

Algeria: In a concession to opposition President Bouteflika announces a constitutional reform.

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Economic and social conditions in North Africa:

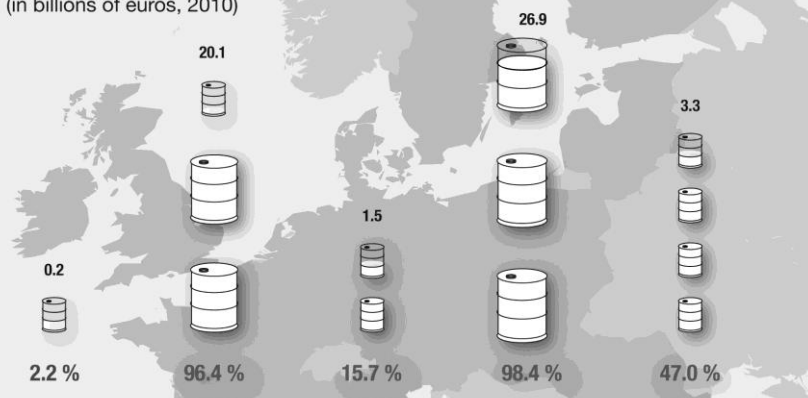
Selected indicators on economic power, employment, poverty and education



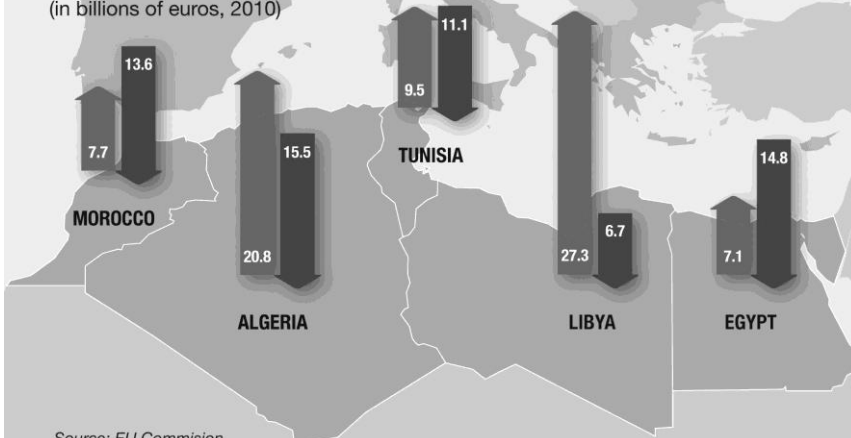
Trade relations between North Africa and the EU:

North African fuel exports to the other side of the Mediterranean Sea

Oil and gas exports to the EU (in billions of euros, 2010)



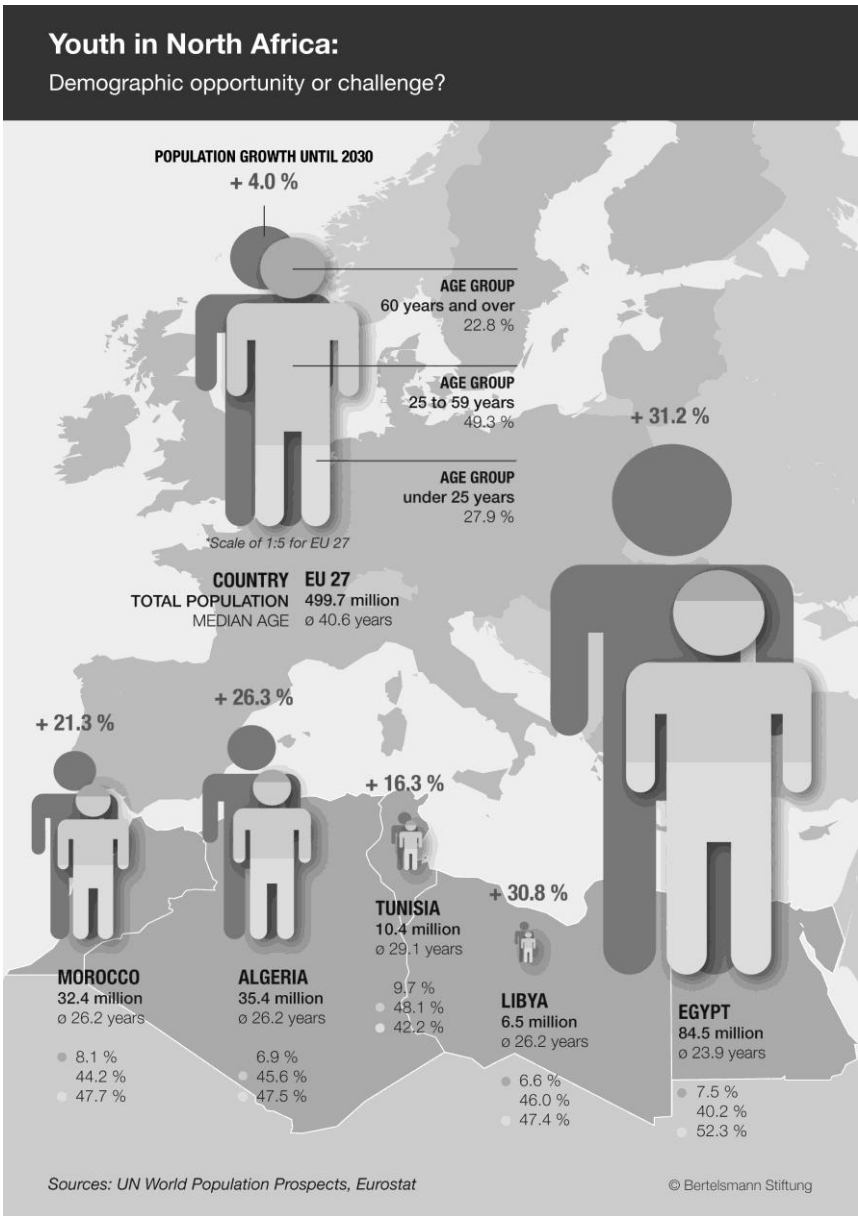
Trade in goods (in billions of euros, 2010)



Source: EU Commission

Exports to the EU	Imports from the EU	Value of fuel exports to the EU	Share of fuels in total exports to the EU
		10 billion € 1 billion €	%

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New Forms of Cooperation in the Mediterranean?

Ziad Majed

This text aims to present some thoughts and suggestions on how the European Union could support democratic transitions in the Arab world in general, and in North African countries in particular. Before doing so, the text tries to shed light on the new situation that has characterized the region for the last few months.

On the fall of the wall of fear

Fully extracting the “lessons learned” from the popular uprisings or reform processes in the Arab countries will require the passage of more time, particularly if we want to distinguish between different experiences, and compare their causes and forms. Likewise, talking about the uprisings’ proponents requires prudence, in view of the twisted and thorny paths these various groups and individuals have taken, and which may result in many detours in the days and years ahead.

However, a first reading of the historical events of the last few months—especially in Tunisia and Egypt—can guide us to a few conclusions:

First, the launching of the revolutionary movements very much required an emotional spark and acute excitement. This allowed the constraints of self-censorship and internalized, normalized fear to be smashed, liberating the individual and society from the symbolic weight of authoritarian institutions.

Second, taking to the public squares, which previously had been used largely to celebrate the governing regimes, was instrumental in throwing off the influence of the former systems. For the first time in decades a political bridge between the public and private spaces was established, and citizens crossed this first with defiance, and then with a sense of liberation.

Third, the people are able to peacefully hold out in the streets and persevere, refusing to be turned away from their objectives, as long as they feel there is an opportunity on the horizon for even greater accomplishments, as long as they perceive that the machinery of repression has lost the initiative, or in cases when that machinery has lost the ability to react with violence in the face of an enormous popular presence.

Fourth, information-age tactics and globalized tools of communication play a critical political role in the present moment. Satellites circulate images live, while websites and blogs carry information, news and emotion. Security apparatuses are not strong enough to suppress these influences as a whole. Social networking websites such as Facebook, Twitter and YouTube have become effective tools for mobilization. Mobile phones with cameras and SMS have been transformed into weapons of paramount importance, making it difficult to control or arrest the bearers. Instantaneous transmission generates immediate cross-border sympathy with the events, without the delays necessary during uprisings in the past.

Fifth, regimes fearing contagion in their own countries are forced to announce measures and reforms in order to contain popular anger and avoid similar scenarios.

Sixth, the popular sense of humor becomes an empowering political factor that publically deconstructs the “serious” character of the patriarchal and repressive authorities after long being only a private refuge to hide one’s frustrations and fears from the public “reality.”

Seventh, urbanization proves to be one major factor in the consolidation of large-scale popular (and especially youth) mobilization, in the sense that

living in one territorial continuity (which differs from rural or desert conditions) allows contacts to develop, word of events to spread immediately, and direct interaction to take place.

However, the course of events in the near future remains unclear, and a number of questions remain unanswered:

– Will we witness processes of “rapid” democratic transformation, producing elected authorities according to new electoral laws, governing with a separation of powers and a respect for the constitution and the rule of law? Or are we facing a transitional phase that may drag on, with possible changes in the balance of power, leaving the army or elements of the old political elite to play central roles?

– What role is to be played in the future by the Muslim Brotherhood, particularly in Egypt, and what will the profound changes underway mean if the Brotherhood gains enough support to provoke anxiety among some of their partners in the popular uprisings, let alone among actors outside the region? Will models inspired by the Turkish experience be adopted, or are we still facing more conservative political cultures?

– How will the secular parties and the new social movements emerging from the street activism develop alliances and political agendas allowing them to play important roles in the transitional period and prepare for the first free elections?

– What foreign policy positions will the new and emerging governments adopt? What impact will the new national dynamics have on regional relations and political environments?

We address below the issue of European Union support for the promotion of democracy and the rule of law in Arab countries, especially in Tunisia, Egypt, Libya, Algeria and Morocco. However, the preceding questions and

observations require us to consider the issue squarely within the new emerging context and its serious challenges.

The following thoughts are an attempt to do precisely this. They are divided into three sets of policies: the first is related to institutional capacity building, the second to economic cooperation, and the third to support for civil society causes and initiatives.

Institutional capacity-building

Among the most important challenges facing Arab countries today is the reconstruction of democratic institutions able to ensure the separation of powers, the independence of the judiciary and the professionalism of the police and security apparatus. What the European Union could do in these domains is hence related to:

- Providing expertise to committees drafting new electoral laws in such a way as to establish free elections and a fair representation of political forces in each country. Such laws will strengthen the legitimacy of parliaments, and will give the legislative authority the popular credibility necessary to assert itself as an important state institution, and to play the crucial roles that parliaments should play in democracies.

- Helping to bring together judges and legal advisors to draft new legislation promoting the independence of the judiciary. If confidence between citizens and the legal system is to be rebuilt, it must be shown that this system can be efficient and independent, and that the rule of law can be restored by means of its various bodies.

- Training the police and security corps on the basis of loyalty to state institutions and constitutional political principles. The roles of the police and the security forces in Arab societies must be changed. Old roles were based

primarily on loyalty to regimes and the enforcement of authoritarian policies, culture and practices. Changing this security-services culture and developing human rights education programs within the police and security academies—as well as creating legal consequences for violations of these rights—would help citizens overcome their old perceptions of the police and security apparatus, and would force the apparatus itself to respect laws and rights in its operations.

These three things are critical: restoring confidence in the parliament as a representative political and legislative body, in the judiciary as an independent institution protecting the rule of law, and in the police and security forces as defenders of the state, the public order and the stability of the society. Taken together, they would lead to a radical change in the public's understanding of politics, and of the roles of the various authorities as they deal with or represent citizens. Accomplishing these goals would also influence the work of the executive authorities, making them accountable to parliaments and creating a more balanced relationship between the branches of power.

Economic cooperation and transparency

In societies characterized by young populations, and by a need to create hundreds of thousands of new jobs every year in order to absorb new workforce entrants, efforts to reshape economic policies and restructure the various economic sectors are of extreme importance. For this reason, the development of new frameworks for economic cooperation with public and private sector organizations should be a priority, not only for the direct

benefits that such cooperation would provide, but also in the interest of long-run stability and prosperity in the societies concerned.

Incentives, joint projects, vocational training and specialized initiatives could be designed, and investments developing the national economies and enlarging their social bases could be made. This would diminish immigration pressures, social tensions and poverty, and would allow for the emergence of more dynamic economic sectors.

Geographic decentralization of projects in the “recipient countries” (in order to create job opportunities in different cities and regions), diversification of activities across a number of productive sectors, and above all transparency and corporate social responsibility should replace old practices, in which short-term profits motivated many of the economic actors on both sides of the Mediterranean, allowing corruption and clientelism to reduce the positive impact of projects and funds.

Economic cooperation goes beyond direct (or short-term) impact. It is related to security, immigration, ethics and long-term partnerships that can encourage creativity, human development and trust.

Monitoring such cooperative frameworks on both sides would lead to a more efficient management of resources, and to a culture of social responsibility that is highly needed in this new chapter of regional relationships.

Civil society, women’s rights and human rights monitoring

The Arab spring has been characterized by the active participation of women and civil society actors. It is thus important to support these actors, and to establish – in cooperation with them – oversight bodies that can monitor, promote and respect democratic and human rights values and

principles. To this end, the European Union could develop programs to strengthen:

Civil society institutions, through training programs and the sharing of expertise in lobbying, campaigning and alliance-building in defense of local, professional or national interests. This is of crucial importance in a phase during which new laws and constitutional amendments will be written and passed, and elections will be taking place.

Women's rights, through helping women's movements (and other movements working on gender issues) to develop agendas for reforms preventing the exclusion or marginalization of women. Such agendas would be in line with the Committee on the Elimination of Discrimination against Women (CEDAW) agreement that most Arab countries have signed (but none has fully respected), and would include mechanisms for follow-up and evaluation. The Arab spring is about justice, freedom and dignity, and women should not be forgotten in the emerging political processes.

Monitoring of democracy and human rights, through supporting the establishment of independent bodies, as well as agreements between state and civil society actors to make annual measurements or evaluations of public discourses and practices, laws, media programming, security services activities, women's participation, and other societal indicators. These oversight bodies could play important roles in monitoring and then recommending policies and measures in the post-revolutionary or post-reform transitional phases.

Finally, the European Union should engage in significant efforts aimed at supporting the democratic transitions and avoiding any "setbacks" during transitional phases. The EU and the Arab countries—especially those of North Africa—should seize the historical opportunity now presented to build new partnerships, establish confidence, and do away with clichés and misperceptions within their societies. This would open the way for more effective cooperation on many levels, and would gradually eliminate the

bitterness that has long characterized relationships between the various capitals within this vital space that is the Mediterranean basin and its diverse geopolitical units.

Egypt and the EU in the Post-Mubarak Era

Khalil Al-Anani

After almost 30 years of authoritarian rule in Egypt, the January 25th Revolution succeeded in removing the regime of Hosni Mubarak. It was an extraordinary event in the Middle East region, which has been living under dictatorships over the past half century. The Egyptian revolution was a peaceful one, triggered by young people and supported by the bulk of Egyptians. The ouster of Mubarak's regime has raised many expectations and concerns over the political future of Egypt and to what extent Egyptian society is ready for democratization. However, building a genuine and solid democracy in Egypt is contingent upon the support and endorsement of the international community, particularly the European Union.

Challenges for democratic change in Egypt

Over the past three decades, Egypt has suffered from one of the worst of the region's dictatorial regimes. Mubarak ruled Egypt under the provisions of emergency law, which resulted in sabotage of political life, weakening of political parties and significant human rights violations. For instance, the number of political detainees has reached 15,000 over the course of 30 years. Moreover, civilians were subjected to military trials, and political activists and bloggers are tracked and arrested without fair trials. Restrictions were imposed on the press, the media and peaceful demonstrations have been hindered. Economically, the gap between rich and poor has increased and corruption among governmental officials and businessmen was tremendous. More significantly, members of the ruling

National Democratic Party (NDP) abused their political posts and connections to maximize their wealth and obtain economic privileges. These policies have led to increases in poverty and unemployment rates and raised Egypt's external debt to approximately \$32 billion. From a social perspective, inadequate policies of economic reform and privatization have distorted economic liberalism and provoked many Egyptians to resist a free market philosophy. These political, economic and social grievances have triggered the January 25th revolution, ultimately leading to the fall of Mubarak's regime.

During the transition period, Egypt faces four key challenges:

- Transferring power from the Supreme Council for the Armed Forces (SCAF) to a freely elected civil government, while maintaining security and stability. Though the SCAF has indicated its intention to hand over power before the end of this year (2011), as of the time of writing no clear schedule had been set for the presidential election. Parliamentary elections have been scheduled for September 2011, but no clear strategy has been developed for organizing and managing these elections, or for developing local and international oversight. The availability of logistical resources to run these elections also remains vague. It's planned that after the parliamentary elections, a constituent committee will be chosen to draft a new democratic constitution, which will ensure a balance between the various authorities and create a framework for the future political system in Egypt.

- Building solid democratic institutions such as the parliament, a judicial authority and an independent media. Some observers are concerned that the results of the upcoming parliamentary elections might not be representative of the entire Egyptian society and political spectrum. The prospect of Islamic groups coming to dominate the parliament has elicited particular concern. This could result in polarization and stress among liberal, secular and non-Islamic groups. The March 19th referendum proved to hold

examples of this tension. It is certain that the Islamists should have a say in and a role to play in mapping Egypt's political future. Excluding them could increase tensions and hinder the process of transferring power. The new constitution must also ensure the independence of the legislature from the executive authority. This can be accomplished by curtailing the powers of the president and increasing the parliament's powers. However, the country's political forces differ on what form of political system—a presidential or parliamentary government, for example—should be established. With respect to the judiciary, there is a great need to ensure independence from the executive authority, and to ensure the integrity and independence of judges. Media freedom has already improved, yet there remains a need to free the sector from the influence of the executive authority, and to change the press and media laws so as to ensure independence and integrity.

– Rebuilding the Egyptian economy. The economy has incurred huge losses in the wake of the revolution. Foreign investment capital fled the country, the tourism sector fell into depression and foreign currency income declined. Mubarak's regime left Egypt rife with corruption. Many businessmen have been involved in cases of corruption and of plundering public funds. The SCAF has as yet been unable to eradicate corruption in economic institutions. Many Egyptians are uncertain as to whether stolen public funds placed in European and U.S. banks will be returned.

– Strengthening civil society and instilling a civic culture among the Egyptian people. Egypt's revolution has led to a rediscovery of civil society. Most of the youth who participated in the revolution belonged to NGOs and civil society organizations (CSOs). However, CSOs today face legal, bureaucratic and financial barriers. The rebuilding of Egypt cannot take place unless CSOs play a strong and dynamic role in rural and low-income urban areas.

Egyptian perception of the European Union

The Egyptian revolution has had a national, popular and peaceful nature. Even as the crowds in Tahrir Square weathered the government's sometimes violent response, people were looking to Western countries, and particularly to Europe and the United States, for their position on Mubarak's removal. The demonstrators needed moral support from around the world for their people's revolution aimed at removing the Mubarak regime. Initially, Western support for the Egyptian revolution was unclear, uncertain and hesitant. The European Union was no exception, but after the success of the revolution, the EU clearly declared its support and spoke out for a peaceful transfer of power. EU credibility in the Middle East is higher than that of the United States, which seems to be hesitant and confused in supporting the Arab revolutions against the dictatorships. It appears that the European Union learned a lesson from Tunisia, when the Ben Ali regime was not dealt with from a strong, speedy and decisive position.

The EU's decision to freeze the assets of Mubarak and his family was well received by many Egyptians. The position taken by the United Kingdom, in which Prime Minister David Cameron called for a peaceful and disciplined transfer of power in Egypt, was particularly important. This removed the facade of political legitimacy from Mubarak's regime, and increased pressure on it to cede power.

Many Egyptians believe that the European Union should become a key partner in the post-revolution era by providing assistance in rebuilding the economy and strengthening civil society. The road to cementing an Egyptian-European partnership has been laid. Over the past two decades, Egypt entered into economic and trade partnerships with the EU. However, Mubarak's regime tried to manipulate this partnership with a view to remaining in power. Though Mubarak's regime obtained considerable

amounts of EU assistance, it was not distributed in a fair or transparent way, and ultimately most Egyptians did not benefit from this support.

Egypt and the European Union share strong common interests. Therefore, the two parties must develop relations in the post-Mubarak era. Egypt is a pivotal country in the Middle East region. Successfully constructing a modern democratic state will positively affect the whole region, and serve European interests as well. Illegal immigration will stop or slow, cultural understanding between the two parties will be enhanced, and efforts to combat terrorism will be strongly managed. Thus, support for democratization in Egypt involves Europe's own vital interests, and should be increased.

What do Egyptians expect from the EU?

Egyptians expect much from the European Union in terms of support for democratization. Most importantly:

- They expect the EU to contribute political, technical and legal support toward the strengthening of institutions. For example, the EU should play an important role in supervising the next parliamentary elections. This will require coordination with the SCAF and with CSOs to ensure the elections' transparency and integrity. The EU can provide technical and consulting expertise to existing or future political parties. This can be achieved by holding workshops and by a direct exchange of expertise, transferring lessons from the European experience to Egypt. In this context, the EU can draw upon its experience with democratization in Eastern Europe, which began in the late 1990s.

- Economic deprivation was a primary reason for the Egyptian revolution. Therefore, strengthening the cooperative economic and trading

relationship between Egypt and the EU appears to be very critical at this stage. The EU is Egypt's most important trading partner. However, in the post-revolution era, many Egyptians expect this partnership to be expanded, and for the EU to play an important role in rebuilding the economy, whether through trading or by encouraging European investment in Egypt. The EU can design an economic assistance program for Egypt addressing the adverse effects of the post-revolution period. Sectors in dire need of assistance include tourism, finance and banking.

– Many Egyptians expect the EU to play an important role in supporting civil society and in developing CSOs. Already, EU-Egyptian joint ventures exist, and the EU had provided financial support to some organizations. However, the focus should be on supporting new organizations, formed in the post-revolutionary era. An initiative should be launched to enhance political participation among youth, through joint workshops co-organized by the Egyptians and Europeans. In addition, the number of scholarships and rehabilitation programs aimed at preparing political cadres who can participate in building solid democracy should be increased.

– Dialogue between Egyptian political forces and EU representatives should be intensified. Nobody, and most particularly not the Islamists, should be excluded from this dialogue. The relationship between the EU and the Islamists was characterized by doubt, uncertainty and a lack of mutual confidence throughout the Mubarak era. This relationship should now be rebuilt and restored, founded on mutual understanding and the perception of common interests. I believe that a number of Islamists are willing to open a constructive dialogue with the EU, and we should invest in this area.

The European Union should have a grand strategy in the MENA

Given the number of uprisings and revolutions by peoples in the Middle East, it is important that the European Union adopt an overall and effective strategy to deal with these historic developments. Dealing conservatively with these developments, without introducing political initiatives to support the MENA democratization process, is not satisfactory. In other words, Arab democratization should be a top priority for European policy-makers.

The core of such a strategy should be support for democratization in Egypt and the provision of help in establishing a solid and strong democratic government there. The EU should understand that the failure of democratization in Egypt would be very disappointing to Arab youth, and the results could be disastrous, as has been the case in Libya, Yemen and Syria.

This grand EU strategy can be built on four pillars:

1. The Middle East region should be reconsidered as providing an opportunity rather than a threat. Democratization of the region will bring benefits to the EU, since it will reduce risks associated with social, religious and sectarian pressures. Immigration rates would drop due to the improvement in domestic Egyptian living standards, and religious extremism would decline. It is noteworthy that throughout the Arab revolutions we have heard no comments from al-Qaeda about the events taking place in Arab countries.

2. A political dialogue should be opened with all political parties in Egypt and other Arab countries, particularly with the Muslim Brotherhood. It is unfortunate that there is no clear European perspective on dealing with the Muslim Brotherhood, despite the fact that it is Egypt's most significant political force in the post-Mubarak era. European states remain uncertain

and suspicious in dealing with the Brotherhood. This attitude should be put to rest in the post-Mubarak era. There should be a clear mechanism for establishing a dialogue with the Muslim Brotherhood, involving a discussion of all political and human rights issues. If dialogue with the Muslim Brotherhood is successful, the door can be opened not only to establishing good relations with Islamists across the MENA region, but also to more involvement by Muslim minorities in European countries.

3. While it could be a good idea for the European Union to deal with each Arab uprising on a case-by-case basis, it should be noted that the common demand in Arab revolutions is one for freedom and democracy. Therefore, it is critical that EU countries take a decisive stance vis-à-vis the Arab revolutions from the beginning, supporting the people and not the dictatorial regimes. This will help establish good relations with the governments that will be newly built in the region.

4. Though the Arab uprisings are similar in terms of overall demands, the details of democratization will vary from country to country. Accordingly, the EU should establish bilateral relations with each individual country in order to support in the construction of local democratic foundations.

In conclusion, the MENA region is undergoing massive transformations that will reshape its polity and society. If the EU is to have a strategic and key role in these transformations, it should encourage and endorse the pro-democracy movements that will reshape the political future of the region for the upcoming decades.

Transition in Egypt: Evolution, Challenges and EU Assistance

Moazz Elzoughby and Bassma Kodmani

Since the overthrow of Hosni Mubarak's regime on February 11, there have been many important developments in Egypt. Whereas some observers argue that the regime has yet to fall and the changes introduced so far are superficial, we believe some of these changes have significant consequences for Egyptian politics and society.

First and foremost, the relationship between the state (the rulers) and society (the ruled) has undergone fundamental changes. Unlike Mubarak and the governments during his reign, the Supreme Council for the Armed Forces (SCAF), which assumed power after Mubarak's resignation, cultivates a policy of engaged communication with Egyptian citizens. The SCAF seeks to explain the measures taken and responds substantively to the questions raised by different groups throughout Egyptian society. It has also sought to clarify steps taken and dispel rumors circulating across the country. A few days after Mubarak's fall, the SCAF set up as part of its communication strategy a page on Facebook to communicate with citizens. Other public institutions, including ministries, have since followed suit and established their own Facebook pages. Although this kind of social networking might seem trivial, it signifies an important fact, namely that public opinion now matters and citizens can no longer be ignored.

Egyptian society is also undergoing profound change. Despite widespread discontent and the desire for stability and a rapid return to normal life, a growing number of citizens are engaging in politics. They monitor very closely the performance of the government and the SCAF, continuously assessing the progress achieved. When unsatisfied with the

measures taken or the pace of change, these newly politicized citizens join the demonstrations organized by various political forces, placing greater pressure on those who rule. The fact that those in power demonstrate accountability for their actions and that citizens are demanding oversight augurs well for Egyptian political culture. Second, members of Mubarak's regime are no longer immune to prosecution for acts committed in office. Corruption investigations are progressing and have been extended to include former prime ministers, ministers, business tycoons, and leaders of the National Democratic Party (NDP) as well as other top-level officials. Initially hesitant, the authorities—under the pressure of the growing protest movement—have begun scrutinizing the wealth amassed by Mubarak, his family, key aides and others in his regime. This step toward transparency acknowledges corruption as a key source of the deep frustration articulated by those who have taken to the streets.

Third, Egypt's constitutional and legal framework is changing. The constitution of 1971 was suspended after Mubarak's fall and a constitutional referendum organized in March. A provisional constitutional declaration was issued in order to provide a clear framework and calendar for the transition process. Moreover, a new party code including relatively open and transparent provisions has been issued, bringing an end to decades of stifling restrictions on party formation. Other new laws on freedoms, elections and trade unions will soon follow.

Despite all these changes marking genuine discontinuities, the entire regime has not yet undergone complete change. Elected local popular councils, which are dominated by NDP members, have not been dissolved. Several observers consider these councils illegitimate since local elections in Egypt are routinely marred by widespread rigging. These councils have played and will continue to play an active role in parliamentary campaigns and polls by favoring NDP candidates. Their reputation of being highly corrupt has been corroborated by senior officials in Mubarak's regime.

Upcoming challenges

Several challenges could affect both the character and the shape of the final transition process. The way in which the political groups that played an active role in triggering and guiding the revolt organize themselves will be one critical element. Indeed, one of the main factors in the success of the movement was that it had no central structure. There was a small core group that called for the demonstrations of January 25, but once the mobilization gained the substantial momentum that led ultimately to Mubarak's resignation, this group had no control over demonstrators in the many cities involved. Following the success of the mobilization phase, these new groups now need to organize themselves differently in order to handle the challenges of the transitional period.

The second challenge is to the need to safeguard the open and the unitary spirit that has characterized the movement to date. It will be important to avoid polarization and to retain a climate of societal unity until a new consensus-based constitution is drafted and ratified. However, there are strong signs that religious and political polarization is growing in Egypt. Demonstrations held by the Copts following the burning of a church, as well as the counterdemonstrations staged by the Salafis, reflect an increasing sectarian tension that has bled into the political sphere. Some religious entrepreneurs interpreted the March referendum as a plebiscite on Islam, and called on "the faithful" to vote for the constitution in order to abort "the conspiracy of the Copts and the seculars" against Islam.

The third challenge is related to dealing with the demands of a number of societal groups, and ensuring that these demands can be efficiently represented and channeled. These socioeconomic demands were among the main factors enabling mobilization to persist until Mubarak's fall. Since that time, social demands have mushroomed across the country. Workers have sought better pay and more stability in contracts, while others have

called for their managers' resignation. University students and professors have called for the departure of deans appointed by Mubarak's regime. Thus far, the response of the SCAF and the government has not lived up to expectations. In some cases, the new authorities have lost patience, resorting to violent repression. Furthermore, the government has passed a controversial law that outlaws strikes and sit-ins under the pretext of restoring stability.

A fourth and perhaps most decisive challenge lies in the need to restore normal economic activity. The loss to the economy has been considerable, although no source has yet produced any reliable estimation of its scope. With their uprising, Egyptians gave priority to political change, which they identified as the key to genuinely comprehensive change leading in turn to a more dignified life. Yet the precarious living conditions of a broad section of society are such that millions of people face the loss of their livelihoods, and will be unable to withstand the consequences of an economic breakdown. Egypt under Mubarak engaged in a liberal model of development, resulting in a high dependence on foreign investment and tourism. These two major sources of income have experienced a drop that threatens the overall economy and exposes the society to major social and political consequences.

EU assistance

With the situation changing in Egypt, external actors should start reconsidering and rethinking the rationale behind the assistance they provide to support the country. Numerous generous offers of foreign aid have been made since Mubarak's fall. These offers were so huge that Prime Minister Essam Sharaf's cabinet put off the decision on several proposals, as the government was preoccupied and overburdened with

more urgent issues.* Donors and foreign countries willing to help Egypt during the transitional period should proceed with one important consideration in mind: that external actors are not initiating the process, but are rather supporting a change originally triggered and driven on an ongoing basis by the Egyptians themselves. Egyptian society is full of resources and ideas as to what needs to be done and how it should be done. The process of change should thus be led and steered by Egyptians themselves, without any foreign guardianship. External assistance should focus on empowering local actors by giving them the means to fulfill their mission.

Several considerations must be kept in mind when approaching the government and civil society groups in Egypt:

No-go zones: Foreign countries and organizations must be aware that there are some no-go zones in which they should not try to interfere. Religion is one of these zones. External actors should not try to get involved in the national debate about the role of religion in the constitution and the society. Even if the West might be right in being concerned with the status and the rights of religious minorities, its interference in this matter would not be welcomed by local actors, and might prove counterproductive. Another no-go zone would be the talks and debates between local political forces. External actors should not support specific groups or agendas, or attempt to influence the various local actors' political strategies. This is a very sensitive issue, and any attempt to interfere in this area will be perceived as an unwelcome intrusion and as an attempt to impose a foreign guardianship.

Priorities and areas of intervention will be defined by Egyptians: Previously, bilateral and multilateral donors were presented with a context in which the rift between government and society forced them to choose to work with one or the other, without being able to connect their actions in

* www.youm7.com/News.asp?NewsID=368090&

some coherent manner. Assistance to the government was often a source of frustration for external actors, as the general attitude of the ruling elite was to accept the financial assistance and ignore the advice that came with it. In many areas, donors preferred to avoid working with the government due to its poor record of transparency and the fact that approaching the government was difficult. These actors sought to bypass the state by financing local NGOs, but this approach too had its limitations. Apart from the fact that local NGOs were obliged to reset their priorities and projects so that they could meet the conditions and the agenda of the donors, the impact of this approach often proved unsustainable. Many of these isolated interventions were of limited relevance and outreach potential, as they did not fall within the framework of a public strategic vision or public plan.

Just as Egyptians are in the process of redefining the relations between state and society, external partners also need to reconsider the way they relate to the various stakeholders, whether governmental or non-governmental.

There are clear indications now that the government is far more accessible than before, and that the Egyptian transitional government and civil society groups alike are able to identify their own needs and set their priorities by themselves. External actors could offer to help Egyptians during this phase of priority identification, but it must be clear that this process is being led by the Egyptian side. Once the agenda is set, foreign actors will then be able to adjust their actions and consider how their assistance can take place within the framework of the various ministries' strategic orientations.

This will require foreign experts sent on assistance missions to spend more time on the ground rather than conducting short and sporadic trips. These experts will have to work more closely with Egyptian technocrats and policy-makers to adjust and adapt their methodologies on an ongoing basis as the post-Mubarak era advances.

Focus on actors and institutions rather than on themes: Major policy changes are not likely to take place during the transitional period. The government will not, for instance, reconsider fiscal or investment policies. The main priority of the transitional government is to reduce to the minimum the negative impact of the political turmoil on the economy and on average Egyptians' everyday life.

In such circumstances, external partners should focus on institutions and actors rather than on particular areas and themes. For example, previous efforts at reducing corruption and promoting transparency should be replaced with support to civil society initiatives able to play the role of watchdogs and act as whistleblowers on issues of public integrity. Supporting and strengthening public institutions and civil society organizations, and raising the capacity of their employees, are probably the most valuable interventions external actors could undertake.

A key area for foreign assistance is the reform of local authorities and municipalities, which are widely considered to be nests of corruption and nepotism, and are known for poor performance. They are in dire need of support and staff capacity-raising. A substantial debate over decentralization and the role of local authorities will take place during and after the transition period. This will be a critical time for these institutions to be strengthened and upgraded, providing a natural role for external actors. Foreign assistance efforts should seek to empower local actors so that they can undertake future policy changes on their own. This seems to be one of the most useful and sustainable kinds of assistance.

Ending the tyranny of the growth rate: The uprising took place at a time when the growth rate was high. This seems to indicate, as in the case of Tunisia, that something fundamental is missing in the rationale driving economic policy. The Egyptian ruling and intellectual elite, having understood that a society cannot be reduced to the economy, is already engaged in a profound reassessment of economic priorities. A consensus is

emerging on the need to re-endow the state with a leadership role in restoring collective control of the economic process and carrying basic social responsibilities.

But Egypt cannot undertake this necessary shift without a supportive and understanding attitude from its international partners, particularly those in Europe. Egypt played by the rules of the global economy over the last 15 years, liberalizing and privatizing as recommended by the neo-liberal doxa. It did so at a heavy cost for its population. European powers in particular are in a position to restore confidence in the Egyptian economy through a variety of measures. These include what has been summarized by a leading European figure as the “three Ms”—money, market access and mobility of people. These are things that the EU has defined as priorities and should be implemented.

As the World Bank promises to revisit its policies, the European Union is certainly in a position to challenge the neoliberal orthodoxy and push what has so far been considered “alternative” thinking into the mainstream discourse. Here again, Egypt must weigh its priorities and convince the EU to advocate on Egypt’s behalf by providing support.

Libya on its Way to the Future

*An Interview with Zeidan Ali Zeidan, Representative of the Libyan Society in Germany**

Hopes for a quick peace in Libya appear to have collapsed, for the moment. NATO's military intervention has not yet proven decisive, and the African Union has failed in its peace initiative. What comes next in the conflict?

At the moment, we see Colonel Muammar Qadhafi increasingly losing ground and losing sway over his followers. Moussa Koussa, Libya's former minister of foreign affairs, is the most prominent example of such defection. We have also received a number of eyewitness reports revealing the hopeless situation in which the regime, along with its soldiers and mercenaries, finds itself.

Qadhafi claims that the NATO attacks violate international law. And Russia condemns some of the attacks, too. Unfortunately, both forget how Qadhafi's troops, out of desperation, have missed no opportunity to violate the Geneva Conventions.

On the other hand, despite complications and problems of coordination with the rebels at the beginning of the intervention, NATO has shown itself to be very effective. The alliance has now sent a liaison officer to Benghazi to improve communication and coordination—in military matters, among others—with the Transitional National Council. Britain is seeking the creation of an international aid fund from which Transitional National

* Armando García Schmidt conducted the interview with Zeidan Ali Zeidan on May 2, 2011.

Council salaries and costs associated with administration of the liberated areas in Libya can be paid.

At the front, NATO forces are attacking Qadhafi troops in the western mountains near the Tunisian border, in order to clear a passage to the border there for refugees and humanitarian shipments. Attacks on strategic Qadhafi targets in Tripoli are also being intensified. One of these airstrikes supposedly led to the death of one of his sons on Saturday.

In Misrata, mercenaries are dressing as civilians to escape detection, in order to penetrate the city unimpeded and continue their murderous activity. From a military point of view, the situation is progressively improving. However, the terrible humanitarian situation in Misrata and other besieged cities remains a serious problem, and an appeal must be made to the international community to address this.

All these facts, as well as the assessments of various war experts, point to a relatively brief period of continued war in Libya, and clear the way for the construction of a newly democratic Libya.

In your opinion, will a long-term division of the country result? What would be the political consequences of such an outcome, and what would this mean to people on both sides?

A division of Libya is out of the question, and is opposed by all Libyans. One of the pillars of the revolution is the unity of all of Libya and all Libyans, so a division has never been considered. This opinion is also held by the Transitional National Council. No solution that envisions a division of Libya will be accepted. Tripoli was, is, and will in the future remain the capital of Libya.

Is there a danger that the country will remain in a long-term state of war? What consequences would that hold for the rebels' hope to establish a democratic state?

The people's open protest on the streets of Libya degenerated into a war because Qadhafi understood that his final hour had come at last. He is now seeking to hold on to power using any means available, including the use of unorthodox instruments such as landmines, multiple rocket launchers, rape and executions. But his end is now tangibly close, and the probability that this war will continue much longer is negligible. NATO's attacks are becoming increasingly targeted, air strikes are being flown in and around Tripoli, the rebels are daily becoming more effective, and so the noose is tightening around Qadhafi's neck.

Are there any ideas as to how the new Libya may look after a victory for the insurgents?

Of course. This was announced immediately after the establishment of the Transitional National Council (TNC, www.ntclibya.org) on February 17, 2011. The National Council, under the chairmanship of Mustafa Abdul Jalil, consists of 31 members representing various Libyan regions and cities. Five seats are filled by women and an additional five by young adults in order to provide a hearing for the concerns of young Libyans.

Mustafa Abdul Jalil was justice minister under the Qaddafi regime and one of the few officials who dared to publicly criticize Qadhafi, strongly advocating for the release of political prisoners in Libya. The council's speaker is human rights lawyer Abdul Hafez Ghoga, who is also vice chairman. Mr. Mahmoud Jibril and Mr. Ali Issawi will be responsible for

foreign affairs—Mr. Issawi, who was ambassador to India until the end of 2010, also holds the position of foreign minister.

The Transitional National Council was enacted by a number of local councils and tribes affiliated with the February 17 Revolution. It is tasked with managing daily life in the liberated cities and villages. The long-term objectives of the Transitional National Council are to steer Libya during the transitional period after Qadhafi, enact a constitution, and pave the way for free, democratic elections in Libya.

The Transitional National Council is the sole legitimate representative of the Libyan people, a fact it is now essential to recognize.

The opponents of the Qadhafi regime appear fragmented: Insurgents in Benghazi and other cities, some of the tribes, the exile community, and prominent defectors such as former Foreign Minister Moussa Koussa. What role will the different groups play once it comes time to give form to a new Libya?

As noted above, the Transitional National Council will assume administrative duties and provide citizens with help in coping with daily life, as is already the case in Libya's liberated areas. All Libyans support this council, and recognize it as the only legitimate representative of Libya. It is in everyone's interest that the power vacuum following Qadhafi's deposal be filled.

As early as the initial announcement of the Transitional National Council, a large portion of the tribes had already agreed to the council's creation. This was confirmed at a meeting held in early April in Benghazi. At this event, 61 tribal elders met under the auspices of the Transitional National Council, in order to affirm for the record their support for and participation in the new, democratic Libya.

Moussa Koussa plays no role in the National Council, nor will he in any future Libyan government. He is now in Doha, and will settle there without having any influence on Libyan politics.

Is it conceivable that representatives and supporters of the former regime, even if not the Qadhafi family itself, will find a role to play in a new Libya?

The new Libya is a free and democratic Libya for all Libyans who identify with it. Thus, it will certainly be open to representatives of the former regime, provided they have no blood on their hands. They must also be willing to testify before a truth commission, and to provide assistance when it comes to clearing up the crimes of the past.

How do you perceive the role of the European Union in the conflict so far? Is the European Union perceived inside the rebel camp as a unitary actor?

The European Union is an important partner for Libya, and this relationship will be even stronger in the future. Geographical proximity, the historical past, and political and economic interests tie the two sides together.

France was the first nation to recognize the Transitional National Council as Libya's legitimate representative. Italy, too, has made a helpful contribution through its recognition of the Transitional National Council and by providing use of its southern Italian air bases. The United Kingdom launched an immediate military response when it came to the protection of civilians in Misrata.

Even if the EU has not offered an entirely uniform response to the Libyan question, it is seen in Libya as an important partner, especially in terms of finding solutions for the refugee issue. Europe is not the only one to suffer from this latter problem, as it presents an immense social and security-policy risk for Libya too.

What role should the European Union play in helping to build democratic and legal structures? What strengths does the EU offer as opposed to other actors?

The revolution in Libya is a blessing, opportunity and challenge all at once. The revolution is a blessing since the Qadhafi's 42-year reign of terror is finally coming to an end. The revolution is an opportunity since it gives each Libyan the chance to take an active part in Libya's future, whether through organizing relief supplies, forwarding news from Libya to news organizations, or fighting directly on the front. There are endless possibilities that people inside or outside Libya can take advantage of to provide their personal contribution to Libya's future. The revolution is a challenge since each Libyan must deliver his duty in order to establish a democratic Libya.

We will certainly require external help in one or another respect. And it is precisely here that the EU plays an important role, not only through geographical proximity but also in view of a new framework for partnership between Libya and the EU. One of the biggest challenges is to make clear to Libyan citizens what democracy means. How does democracy evolve? How can I as a citizen make my contribution in this cause? Constitutional structures must be explained to Libyan citizens from the ground up. Assistance can also come from the local level in the EU, in the form of municipal partnerships with Libyan cities, for example.

The diversity of EU members is valuable in this respect. For example, Poland could help with reorienting the curriculum in Libyan schools, the Czech Republic and Slovakia could help build new political parties, while Luxembourg could address Libya's lack of a banking system.

Do you think the European Union would come to terms with a divided Libya?

Certainly the EU is considering how such a scenario would play out. But this will remain no more than a scenario, because the war in Libya will be over only when its traditional capitol Tripoli is also the capitol of a new, free and democratic Libya. And as mentioned earlier, Qadhafi is on a sinking ship.

In your view, what role has Germany played thus far?

Germany abstained from the vote on the UN resolution to enforce the no-fly zone over Libya, which was supported by important allies such as the United States, France and the United Kingdom. The decision led to irritation in Libya as well as internationally.

Although Germany's Foreign Minister Guido Westerwelle asserts that the events in Libya are very worrying, that he has watched them very closely and that Germany will provide its contribution to peace, since February 17, neither military nor humanitarian assistance has been evident.

In times like these, mere phrases are not appropriate, and help no one. Not the Libyan people—which must be helped immediately—and not the image of the federal government, of Germany as a whole, or most importantly of German companies. The Libyan people's regard for Germans

has fallen today to an all-time low. One has no idea what Germany wants, but the uncomfortable suspicion is growing that it has no interest in the Libyan people, but rather is interested only in businesses, and would prefer to leave things as they were in the last few decades. But this attitude has run its course, because—as it is so aptly said—“Rulers come and go, but the people remain.”

It's not too late for Germany to change course, even if their troops do not take part directly in the Libyan action. There are many other ways to help Libya in such a difficult time.

An appeal to the federal government from the Libyan Society, which represents Libyans living in Germany: The Transitional National Council is the sole legitimate representative of the Libyan people, and it is vital to recognize this until the Libyan people can hold democratic elections.

In your view, what roles do other actors such as the African Union and the Arab League play?

Initially, the African Union was misled by Qadhafi's false promises, and presented a roadmap for a possible peace in Libya. This envisioned a ceasefire, with the illusory idea that Qadhafi could remain in power and occupy an honorary post in the new Libya. In fact, Libya's ruler Qadhafi refused regime opponents any kind of reform. He threatened that his henchmen would go from street to street and house to house, arresting and if necessary killing all opponents. This is what happened in Tripoli and other Libyan cities.

Through conversations between African Union members and the Transitional National Council in Benghazi and Addis Ababa, members of the African Union came to the realization that not only Libya, but Africa too has no future with Qadhafi. Africa in particular will benefit from a free democratic

Libya. Specifically in the area of development aid, the geographical proximity of Libya to its African neighbors will turn out to be advantage.

Qatar, the United Arab Emirates, Kuwait and Tunisia have been on the side of the Libyan people from the beginning, providing humanitarian support. Qatar and Kuwait also quickly recognized the Transitional National Council as the legitimate representative of Libya, for which I would again like to personally offer my thanks.

How do you perceive the role of neighboring North African states in the conflict?

Despite its own critical state, Tunisia has shown itself to be very helpful and cooperative. Providing humanitarian aid for more than 30,000 refugees and refusing Qadhafi family members entry to Tunisia are among the many “gestures” made by the Tunisian government and people in recent weeks.

Many families in Tunisia have taken refugees into their apartments and homes, something that demonstrates the relationship between the two peoples. Libya is very grateful for this.

Most of the mercenaries supporting Qadhafi come from Chad, Mali and Algeria. Unfortunately, this fact is denied by the Algerian government, which contributes neither to a solution of the conflict nor to the establishment of a cooperative neighborhood. After all, it is in the interest of the new Libya to have a cooperative relationship with all its neighbors.

What role could be played by tighter regional cooperation between the North African and Arabic-speaking countries that have committed themselves to reform and democracy?

Precisely because the events in Tunisia, Egypt and Libya are very closely linked to each other, and are in one way or another inter-related, these three countries should be conscious of their vanguard role in North Africa and the Arabic-speaking world. The revolutions in these countries are based on the same fundamental values, which include democracy, the rule of law, human rights and civil rights. And adherence to these values should be clearly evident in domestic as well as foreign policy.

One possible goal is the revival of the Euro-Mediterranean Partnership (EUROMED), with three “new” partners that are based on the same values as the European Union. This can certainly achieve tangible results that can benefit all.

The Future of the Mediterranean: Which Way for Europe and North Africa?

Moncef Cheikh-Rouhou

Executive summary

As the Arab Spring unfolds, states serving as the new drivers of world growth seem to have put the ethics of political governance on the back burner. One could have hoped or even expected them to be supportive of protest movements representing the “peoples of the Third World.” But the former champions of the Third World have shifted their focus. They are firstly concerned with access to resources, and secondly with access to low-cost markets. Full stop. The question of who holds the reins of power in these “target countries” is far less relevant.

In past decades, dictators and oppressive regimes in the region thought they had assured themselves of Western governments’ firm support by encouraging the idea that power would necessarily be controlled by “either the dictators or the Talibans,” as French President Nicolas Sarkozy put it.

Europe’s attitude vis-à-vis the important transition in the southern and eastern Mediterranean lacks both unity and coherence. This twin failure threatens to exact costs not only for Europe’s Mediterranean neighbors, but also for Europe itself. The Maghreb is already in the process of seriously examining all the strategic options offering it a plausible path to political and economic emergence.

This paper argues that with a new attitude and vision, new synergies can be established across the Mediterranean. Investing in democracy could prove profitable, if cooperation is conducted in a different manner than what has come before.

A threat?

During a mid-February 2011 meeting in London between the ministers of foreign affairs of Russia and the United Kingdom, Russian Foreign Minister Sergey Lavrov touched on the winds of change then rising across the Middle East and North Africa (MENA) region. Using harsh words, he termed what he called the “western support to the popular demonstrations” as “counterproductive.”

Meanwhile, police in China have intervened and arrested several individuals simply for their presence at a location mentioned on Facebook and Twitter as a meeting point. Subsequently, the terms “jasmine” and “democracy” were censored from the Chinese Internet.

One may well wonder: Why are 10 million Tunisians so frightening to regimes governing 1.6 billion Chinese and 140 million Russians? Is the risk of “contagion” really so threatening? In fact, the four BRIC countries (Brazil, Russia, India and China) have all taken a stand against the popular quest for freedom and democracy in the MENA region. In the case of Libya, BRIC ambassadors have pursued “business as usual.” The countries have clearly stated their opposition to any kind of UN-sponsored intervention to protect demonstrators from Libyan ruler Muammar al-Qadhafi’s lethal attacks. By doing so, they have in fact sent him an explicit message of support. This served to reinforce Qadhafi’s position even as he was telling the Libyan people: “Either I will rule you or I will kill you.”

The world is changing. Emerging economies are increasingly leading world growth, a phenomenon now surely evident to everyone. However, as the Arab Spring unfolds, these new drivers of world growth seem to have put the ethics of political governance on the back burner. One could have hoped or even expected these nations to be supportive of protest movements representing the “peoples of the Third World.” However, the

Bandung Conference is now 56 years old, and the non-aligned movement is definitely buried.

Today, the focus has changed for the former champions of the Third World. They are firstly concerned with access to resources, and secondly with access to low-cost markets. Full stop. The question of who holds the reins of power in these “target countries” is far less relevant.

Any consideration of ethics in governance would add “sustainability” to the list of issues raised by emerging world growth—but this is a topic for another seminar. So, assuming that leading emerging economies are “too busy to worry about ethics,” what can be said about advanced economies?

For decades, dictators and oppressive regimes in the region thought they had assured the firm support of Western governments by encouraging the idea that power would necessarily be held by “either the dictators or the Talibans,” as Sarkozy once put it. Former French Minister of Foreign Affairs Michèle Alliot-Marie’s suggestion to the French National Assembly that France extend to then-Tunisian President Ben Ali’s regime the “well-recognized French expertise” in quelling popular upheavals quickly became known world-wide. But the most unexpected stand was Germany’s refusal to support the recent United Nations vote against the Libyan ruler. In doing so, Germany joined the BRIC position. Is Germany too busy pulling the “locomotive of Europe?”

Apparently the Libyan ruler’s statement claiming that any help to those who opposed him would end up in the hands of AQMI (al-Qaeda in the Islamic Maghreb) found receptive listeners in some European circles. Unfortunately, these listeners have tended to forget that the AQMI group would have never survived—indeed, probably would not even have existed – if democracy had not been repressed in North Africa for the past three decades. This type of group has no future in a more democratic, more law-abiding, emergent North Africa.

Of course the best—and only—prospect for a democratic North Africa and Middle East lies in the implementation of the rule of law, voted into place by a democratic body representing the people and enforced by an executive branch government formed by a duly constituted parliamentary majority. Then, one will be able to talk about a true stability.

This is very different from a false stability based on the illusion that hard-hearted anti-democratic dictators can deliver domestic tranquility. Former United States President Harry Truman memorably dubbed this type of rulers “sonofabitches.” However, when former Cuban dictator Fulgencio Batista’s name was mentioned, Truman defended him, adding that “Batista is our sonofabitch.”

This type of attitude on the part of Western leaders (and some in the media) is extremely damaging. Today’s dictators treat the people of their own country no differently than did the corrupt local chiefs of centuries past, who used to sell their fellow countrymen into slavery. The difference is that people living under dictatorships today are turned into slaves and told to stay home. As a result, resentments and even hatreds have accumulated, not only against the autocratic and corrupt rulers, but also against their partners in the West.

Europe’s attitude vis-à-vis the important transition in the southern and eastern Mediterranean lacks both unity and coherence. This threatens to exact a cost not only for Europe’s Mediterranean neighbors, but also for Europe itself. The Maghreb is already in the process of seriously examining all the strategic options offering it a plausible political and economic path to emergence.

How is all this perceived from Tunisia, where it all started?

Tunisia is on the verge of emergence, provided it can control corruption through real democratic practice. Various calculations show that two to three percentage points could be added to the country's present economic growth rate of about 5 percent. Moreover, if the democratic wave were to engulf two or more neighboring Maghreb countries, one to two additional percentage points of growth would be added to the present rate. Under this scenario, Maghreb countries could enjoy growth rates comparable to India's. This clearly indicates that the democratic transition in Tunisia is an opportunity, firstly for the country itself, but also for partners willing to change their traditional patterns and genuinely invest in the country's democracy—a true “win-win” prospect.

However, this much-needed democratic transition has not yet been given a proper welcome by Tunisia's “traditional” partners. When representatives of the newly appointed transition government visited Davos in February, they were asked what outsiders could do to help Tunisia in its historic journey toward democracy. The first request these representatives made was that outside nations “please support,” but not “help.” The second request was to “please do no harm” to Tunisia. To little avail: Several days after the former Tunisian ruler fled the country, Tunisia's credit rating was lowered.

What kind of logic is it when getting rid of a corrupt dictatorship gets you rated as more risky? Was Eastern Europe's emergence from communism considered to be a risky move?

Of course not! A large multilateral financing institution, the European Bank for Reconstruction and Development (EBRD), was even created in order to facilitate this transition toward democracy and the market economy. Even then, a premonitory sign was evident: Morocco and Egypt were shareholders of this bank from the beginning, as if the MENA region

acknowledged it had something to learn from Eastern Europe's historic transition.

Since that time, plenty of talk has taken place around the Mediterranean. Politics and "rapports de force" have taken precedence over real common economic and social interests. The Union for the Mediterranean (UfM) is moribund for precisely this reason. It has spent more time and energy juggling and fine-tuning delicate combinations of nationalities for every position rather than addressing truly crucial issues.

In spite of these false starts, the chances for a positive Mediterranean resurgence will be much better when democracy gains ground in the southern and eastern Mediterranean regions. This is in part because every non-democratic country faces an internal conflict of interest: Will the interests of the ruler or those of the people be attended to? The answer to this question determines who sits on boards, who determines strategies and how resources will be distributed. If the government were to truly represent the people, this issue would be settled. In the future, when democratic Tunisia is involved in external negotiations, Tunisia's representative will speak and act in the best interests of its people, and no longer in the sole interest of a clique unduly monopolizing power.

Tunisia—EU: A new start is possible if...

Tunisia's share in the European Union's flow of foreign exchange is no more than a few percentage points. By contrast, EU countries represent a share in Tunisia's exchange flows of about 70 percent, with France alone representing more than 50 percent. Tunisia primarily exports goods and services created by its only real source of wealth: the women and the men of the country. Tourism, light industry, textiles and subcontracting are

benefitting from this trade. French firms in Tunisia insist they are happy to be there. Recent and converging polls—mainly those conducted by the Tunisian-French Chamber of Commerce—show that no French companies intend to leave the country in the aftermath of the Jasmine Revolution.

This indicates that things will most probably get back to normal fairly soon. In the jargon of economists, the path of the Tunisian economy since the revolution's beginning is following a "J"-shaped curve. According to figures published by the first transition government, about \$2 billion dollars were "lost" during the events, or about 5 percent of Tunisia's GDP.

Since then activity has picked up, though slowed a bit by the need to clean up the mess left by the families of the clique ousted from power, who had been meddling with the economy. The minister of finance has announced a series of bold and confidence-building steps aimed at getting all firms back to work. He expects the Tunisian economy to offset the loss incurred during the revolution and achieve a positive rate of growth this year. This means the country would have moved beyond the lowest part of the "J," and would have started climbing again along the right side of the curve.

If Europe wishes to play a genuinely supportive role, it could consider the following actions:

- Extending its financial safety net to Tunisia temporarily in order to discourage predatory financial attacks.
- Encouraging investment funds to provide support for self-employment by offering financial backing for new business creation.
- Contributing at the appropriate stages of public-private partnerships, particularly those aimed at creating new infrastructure.
- Encouraging joint ventures in the field of innovation and intelligent systems.

- Promoting improvements in training in areas central to the country's strategic future.
- Promoting three-way projects involving Europe, Tunisia and sub-Saharan Africa, due to the important potential synergies between the two African regions and Europe.
- Promoting visible competition for firms, entrepreneurs and workers.
- Promoting the creation of a “Labor Union University,” in order to fill the present gap between management-backed and “politicized” unions.
- Promoting political figures' cooperation with the media, media training and readiness to conduct meaningful and fruitful pre-election debates.

Bilateral programs are comparatively easy to plan and execute. However, Tunisia has much to gain from the prospect of a democratic Libya and an Algeria with newly open borders. Activities in Tunisia itself would find meaningful and profitable reasons to move south, to where economic and social needs presently are.

When two or more countries of the area are involved, the conditions for EU-backed programs in the region improve. One such example is the Development Finance Institute of the Maghreb (IFID). Based in Tunis, this started as a Tunisian-Algerian venture. This very characteristic enabled it to access a larger number of enhanced facilities, making it the successful institution it is today.

Without having to involve EU officials, European firms could take a similar path, developing subsidiaries in several Maghreb countries and benefiting from the synergies between them.

Last but not least, financial policies have to adapt to the new realities of the Maghreb. In addition to the issues suggested above, EBRD programs or similar institutional support must be brought swiftly into place. This should have two clear objectives: (1) contributing to project financing and (2)

supporting the transition from corrupt dictatorships to healthy democratic states. A strong and meaningful gesture would consist in headquartering this body in Tunis, which is today the home of the African Development Bank.

Conclusion

Democracy means change, but it is a blessing. The peoples of the Mediterranean rim have proved not only that they deserve it, but that they will not do without it. Sooner or later, it is going to be a reality. One can only hope that rulers take the initiative to open up their systems and cooperate with their people in swift, peaceful and intelligent transitions.

Europe has an important role to play if it is able to overcome its fears. These issues are crucial to keep in mind:

- False stability. This is not sustainable. Dictatorship leads to the opposite of stability.
- Cultural differences. Rather than speaking of a “clash of,” let us turn instead to the “dialog between” civilizations. Let us avoid phobias.

A totally new basis for cooperation has to be imagined, planned and built. After all, as President Charles de Gaulle said: “One can ignore history, but one can never ignore geography.”

Tunisia and the European Union

Ahmed Driss

Cooperation between Tunisia and the European Union dates back to 1969, when Tunisia signed a five-year agreement with what was then the six-member European Economic Community. This was principally a commercial cooperation agreement between the two parties.

In 1976, as part of the Global Mediterranean Policy, a new bilateral agreement outlining more substantial cooperation was signed between Tunisia and the European Economic Community. The same deal was offered to other Maghreb countries (Morocco and Algeria). This agreement remained effective until the conclusion of a new partnership agreement between Tunisia and the European Union in July 1995. This agreement, along with others concluded with additional South Mediterranean countries, is considered a pillar of the Euro-Mediterranean Partnership established in Barcelona in November 1995, itself a broader framework for regional cooperation that includes Tunisia along with other nations.

In addition, Tunisia acceded to the EU's European Neighborhood Policy in 2004. The two parties adopted an action plan in July 2005. By late 2009, Tunisia was seeking the advanced status as a means of development and enhancement of its relations with the EU.

It should be noted that until 1995, relations between Tunisia and the European Community were purely economic and commercial. Europe is the primary market for Tunisian products, and Tunisia depends almost entirely on Europe for its imports. These factors conditioned the strategic stance of Europe with regard to the Tunisian economy, and served as the main determinant of Tunisia's interests and positions vis-à-vis European policies in the region.

On the other hand, Tunisia is also part of a regional grouping, the Maghreb, which holds a strategic position on the shores of the Mediterranean, and serves as a gateway to North Africa. Belonging to the Arab and Islamic world, the Maghreb is a focal point for the Middle East region. Europe considers the Maghreb to be a natural extension of its own strategically vital territory. Geographically, the Maghreb is the nearest Arab region to southern Europe, offering the potential for control of the middle and western Mediterranean. Therefore, it is very important to Europe and NATO. It is the nearest source of energy to Europe, hosting one end of an undersea pipeline network for the transmission of gas to Spain and Italy. The Maghreb desert holds the potential to generate renewable energy to supply a part of Europe's power needs. The Maghreb is at the heart of any international equilibrium, and plays a significant role in securing stability internationally and regionally.

These facts too help to determine Tunisia's positions vis-à-vis European policies. In part because the country's governing regime believed it was an important component in the European security equation, Tunisia's government was for two decades unresponsive and indifferent to the values on which European policies are based.

The birth of the Euro-Mediterranean Partnership was largely linked to conditions of stress and instability in South Mediterranean countries, particularly in North Africa. The Maghreb community has been almost overwhelmed by waves of extremist ideas, and has therefore been seen by Europe as a potential source of threats.

One manifestation has been the emergence of extremist Islamic movements appealing to religious ideas in attempts to overthrow existing governments. Particularly in Tunisia and Algeria, several such groups resorted to force and armed attacks, adopting terrorist tactics to attain their goals not only within their own countries, but also in Europe (an armed Islamic group launched bomb attacks in France in July and October 1995).

The emergence of these movements coincided with a period of economic weakness in the Maghreb, characterized by high unemployment, particularly among youth. This prompted young people to seek a better life elsewhere, and led to a strong surge in immigration to Europe. A backlash emerged, with anti-immigrant rhetoric from extremist right-wing parties gaining currency in mainstream European communities, leading the continent's policymakers to shut the door to migrants.

Hence, the Euro-Mediterranean Partnership held hidden agendas for North and South Mediterranean countries alike. If security was the main driver for the Europeans, winning support to remain in power drove regimes in Tunisia and its neighbors to join the partnership.

The development of European policies from 2004 on, immediately after the enlargement of the EU and the emergence of the European Neighbourhood Policy, has not limited these approaches. On the contrary, the security dimension was bolstered in the Neighborhood Policy action plans, the documents outlining the formal responsibilities of the EU and its partner countries under this program. These action plans also included new provisions beyond what had been contained in the previous partnership agreements, related to security cooperation in the area of combating terrorism. Under these provisions, appropriate legal frameworks were to be implemented and tangible actions taken in the fields of intelligence and border protection. Illegal immigration was to be one significant target of these policies, with centers established in the South Mediterranean to hold applicants for immigration. In this sense, the Maghreb was designated as a buffer zone between Europe and Africa, aiming at the security of the former and the isolation of the latter.

To attain all these objectives, the European Union through its European Neighbourhood Policy tends to use carrots rather than sticks (soft power). It promises that Europe will open its arms and provide the optimal opportunity to realize the goals contained in the action plan. Participants will be

accorded a better and more respected status, with a view to being involved in and benefiting from some European policies. However, these inducements require the basic goals of the action plans to be achieved, including implementation of political transformations and substantial reforms, particularly in the legislative, administrative and judicial areas.

In joining this policy track, Tunisia hoped to maintain its important role within the EU's security framework, with the related aim of inducing the European Union to ignore human rights violations and the regime's obstinacy in implementing political reforms.

Despite its own political shortcomings, Tunisia continued to demand the advanced status, as was achieved by Morocco and Jordan. Some friendly European countries assured Tunisian authorities that this would be forthcoming following conclusions to talks between the two parties. In this sense, Tunisian authorities were reluctant to take the path of reform.

The successful uprising of the Tunisian people will lead to the replacement of the hidden determinants of the Tunisian position by overt and natural ones. Tunisia is now on the road to reform and democratization, driven by the people's own interests rather than those of the regime. Consequently, it will tend to cooperate extensively with the European Union, recognizing without exception the values on which European policies are grounded.

However, this will also require changes in the way the European Union interacts with Tunisia, as well as in the fundamental basis for such interaction. Attention should now be paid directly to the people, with their interests to be considered above those of the state (regime). Previously, the limited attention paid by EU policymakers to the South Mediterranean peoples, including the Tunisians, served the interests of the ruling regimes. These governments were able to implement a strict clampdown on their citizens as long as they were perceived to be helping maintain EU security. Indeed, the EU most often gave priority to security concerns as part of its

dealings with Tunisia, in return for not insisting on democratization as a basic condition for cooperation.

This EU policy stance drew severe criticism from Tunisian civil society organizations (CSOs) active in the human rights and political reform fields, both before and during the January 14 revolution in Tunisia. The EU's position was overly conservative, and did not support the demands of the protesters strongly enough. Nor does this position differ much from that of the new Tunisian authorities; however, the latter are more diplomatic. The new leadership, most of which belongs to the CSOs or opposition parties, has blamed the European Union for being too close to the previous regime. On the other hand, the EU was not dealing with Tunisia and the rest of the region's countries on a peer-to-peer basis; rather the approach was one in which policies were unilaterally set and proposed, and the southern partner had to implement them. The new Tunisian authorities are hoping that Europe will change this attitude, and are advocating instead for a reciprocity-based relationship. The new political changes herald the coming of an age in which members of the younger generation (previously marginalized within the bilateral frameworks of cooperation between Tunisia and Europe, as well as in the Euro-Mediterranean Partnership) will be the key players. This generation will not accept cooperative agreements that do not take its concerns and aspirations into consideration.

This factor will be a basic determinant in the future of cooperative relations between Tunisia and the European Union, as long as the status of either party is disregarded or diminished. European policymakers should make an effort to improve their image with the country's new generations and elites, thus paving the way for restoring or even earning this group's confidence.

Today, Tunisia has a strong need for cooperation with its partners. Circumstances require that these partners—foremost of which is the EU, given its geographical proximity to Tunisia and its strategic interests—stand

beside the Tunisians in ensuring the success of the democratization process. This requires immediate action to support the process. First, civil society organizations should be given support in all fields, but most particularly in civil education and social development activities. The Tunisian economy should be supported either directly or through debt guarantees if Tunisia resorts to external borrowing. European firms should be encouraged to invest in Tunisia, possibly through a Tunisian-European Fund aimed at providing investment and capital at the lowest possible cost to young investors, in order to encourage entrepreneurship.

On the other hand, the European Union can assist Tunisia through the creation of additional jobs in Europe, thereby absorbing a portion of Tunisia's unemployed population through legal and regulated immigration agreements. The immigration issue, despite its traditionally thorny role as a source of tension between Tunisian and European authorities, offers a significant opportunity for cooperation, and can be utilized as a channel of European solidarity with Tunisia in these particular circumstances.

Lacking real attention to these issues, it is difficult to talk about European support for the democratization process in Tunisia. Real support cannot be limited to words or technical assistance in running elections. It involves real, timely contributions to solving the problems facing Tunisia, particularly economic decline and serious unemployment.

When such problems are solved, the optimal framework for cooperation between Tunisia and the European Union can be considered. We believe there is no need to choose between bilateral cooperation and the establishment of a comprehensive regional framework. There is no necessity to prefer one above the other. Both are important, and offer several different sets of advantages. Tunisia has participated in the Barcelona Process since 1995, and has consistently supported it under all circumstances and in all cases, believing that this process significantly contributes to the security and prosperity of the region. In general, it is a

positive stance, since the Euro-Mediterranean framework was for a long time the only arena in which all parties could meet and engage in dialogue. True, no appreciable progress was made toward a solution of the Arab-Israeli conflict. However, the Euro-Mediterranean process contributed substantially to decreasing the gap between South and North Mediterranean countries, and created common ground for mutual understanding. For that reason, retaining an environment in which comprehensive, all-inclusive regional cooperation can take place is very important regardless of what name or form it takes.

Comprehensive regional cooperation can be enhanced by strengthening bilateral cooperation, particularly in consideration of disparities between countries in implementing the objectives of the Euro-Mediterranean Partnership. This has encouraged southern countries such as Tunisia to seek the advanced status (already acquired by Morocco and Jordan). This status could be granted to Tunisia in light of the political changes it has witnessed.

In this sense, an advanced level of bilateral cooperation serves as encouragement to intensify reform efforts, and thus achieve a higher level of benefits and advantages. This is a positive approach, which should be developed further. However, it alone might not be sufficient to meet the aspirations of the Tunisian people, who have engaged in bottom-up political change.

The nature of the Tunisian economy, its homogenous social strata (which encourages stability), its ongoing political changes and desire to make democratization a success story, and the evaluation of a number of experts all argue for considering Tunisia to have met the Copenhagen criteria. This would initially qualify it to request treatment similar to that of an EU member state. The EU granted advanced status to both Morocco and Jordan, despite the fact that neither has experienced radical political change

like that in Tunisia. Given the state of affairs, shouldn't Tunisia be accorded an even more important status?

Most of us believe that relations between Tunisia and the European Union should take a new direction, in which Tunisia is drawn to cooperate more closely with the EU and becomes correspondingly more open to the values on which the EU is based. However, this will not be possible unless Tunisia is granted privileged partner status, as has been the case with Israel, for example. This status would allow for actual application of the famous saying by Romano Prodi: "Everything but institutions." In this case, the European Union is entitled to tighten the application of its standards and make them a condition for cooperation.

The Challenges of Emerging North Africa Integration

Arslan Chikhaoui

Key policy facts of the Mediterranean region

The Mediterranean is characterized by acute and latent conflicts, both between individual countries and more broadly across the region itself. Crucial difficulties include low development levels and differences in wealth between North and South, as well as a high population density in the South. Associated problems include high unemployment levels, foreign trade imbalances and high levels of indebtedness, domestic tensions and political instability, and a generally high potential for violence.

The Mediterranean has been and continues to be a major route for east-west and north-south trafficking. The region suffers from the effects of terrorist activities and organized crime. The fight against terrorism and organized crime requires the existence of structured international cooperation and the ability to formulate common policies. However, the Mediterranean region is far from achieving such coherence in this field, and terrorism remains a major source of friction.

Moreover, there is a drastic demographic imbalance between the two shores of the Mediterranean, both in terms of population and age. The South Mediterranean countries are in midst of a demographic transition. The North African population is expected to reach 260 million by the year 2025, while the total EU population is expected to be roughly 300 million not long after the end of the century. In addition, 45 percent of the South Mediterranean's population is today under the age of 15, as compared to just 25 percent in the North.

This demographic imbalance, coupled with the South Mediterranean states' stagnant economies and rapidly increasing unemployment levels, creates migratory pressures toward the North Mediterranean nations. It appears that unless equally advantageous economic, social and cultural conditions can be realized in the South, migration will continue to be of major concern in the region. Already today, approximately 6 million immigrants, particularly from the North African states, are living in European countries, with the majority of these in France, Germany, Italy and Spain.

From an economic perspective, the region reflects the deepening gap between the industrialized world and developing countries. In terms of economic efficiency, the entire region lags behind the European average. Among the countries bordering on the Mediterranean, those in North Africa suffer from particularly severe problems. Agricultural production is not sufficient to feed the population, while industrialization is often domestically oriented and unsuccessful by market standards. A special situation is created by the oil revenues of the states of the Middle East and North Africa (MENA) region. The oil states largely lack an industrial mentality, as well as any substantial awareness of the working value of their own assets.

Regarding the political situation, social tensions and unstable governance systems characterize the domestic policy situation nearly everywhere in Europe. Political decision-making processes are frequently dominated by monopoly or quasi-monopoly parties. The military is of great importance in South Mediterranean countries, both as a factor contributing to public order and as a resource of political power.

The political history following decolonialization is one of failed attempts to copy or transfer Western governance and administrative patterns to the young states. In spite of its collective character and susceptibility to use by authoritarian leaders, the socialist model also failed to attain any lasting success. Neither model of state rulership has succeeded in generating a

sufficient measure of domestic or social-policy consensus. The challenge for the MENA region in coming years is to shift from rulership to leadership.

In terms of the potential for violence, the readiness to use political pressure and military force in support of personal interests is fed by authoritarian political structures, the latent antagonism between value systems, the externalization of domestic tensions and considerable stores of armaments. Indeed, for the last two decades this region has been one of the main recipient areas for armament supplies, a flow that has been continuously refreshed due to the region's persistent conflicts (Greece-Turkey, Israel-Middle East, Maghreb, etc.).

The specific causes of crises and wars in the region include conflicts over the control of power, ethnic conflicts, territorial conflicts and the uneven distribution of natural resource revenues. Border conflicts in the Middle East have an economic dimension; the exploitation of submarine resources, unimpeded access to the high seas and airspace rights are important elements of states' economic policies. The South and East Mediterranean regions are characterized by conflicts over access to water, the availability of which is continuously increasing in importance. Indeed, the distribution of water resources in the region may itself become a source of international conflict. Control over water and energy resources may thus develop into the central non-military power instrument. In the short term, the Mediterranean region could be subject to an increasing number of low-intensity internal conflicts or conditions of domestic unrest. Future guarantees of a variety of basic rights remain threatened, including access to vital resources such as water and other material necessities, the right to personal social and political identities, and the ability to participate in political decision-making processes.

North Africa regional competitiveness

The Arab Maghreb Union (AMU) has been unable to assert itself as an effective sub-regional force, as it has undermined been by political disputes including the question of the Western Sahara. The group's joint achievements appear modest not only because of these political differences, but also because of cross-border challenges such as desertification, security threats at borders, and other issues related to agriculture and prospects for Maghreb youth.

The economies of the Maghreb countries continue to move forward in a disorganized manner, despite a few rare initiatives such as the creation of a Maghreb Employers Union (MEU) in February 2007, and a Maghreb Fairs Union in January 2008.

While the creation of the Maghreb Bank for Investment and External Trade (BMICE) has been expected since 1991, its planned establishment in Tunis in 2010 has been postponed to an unspecified date. During its meeting in Tripoli in April 2009, the 45th session of the AMU Monitoring Committee reviewed the proposed creation of the Maghreb Economic Community (MEC).

Despite the 37 Maghreb conventions and agreements signed to date in the economic and trade fields, joint achievements in this area also remain modest. Inter-Maghreb trade flows today reveal substantial weaknesses, in contrast with trade flows between Maghreb countries and the European Union. The EU remains the main customer and supplier for Maghreb countries.

Indeed, about 66 percent of Maghreb states' trade is with the EU, as compared to a share of just 3 percent or less between the AMU countries themselves. This is a very low rate in comparison to other regional groupings (70% between the EU countries, 21.6% between ASEAN

countries, 14% among countries in Latin America, 8% between countries of West Africa).

The shortfall between potential and actual GDP growth averages about two percentage points per year. In terms of FDI, the shortfall is estimated at \$3 billion for the entire Maghreb sub-region. For a region that will have a market of 100 million consumers by 2020, investment levels are quite low.

The post-1994 closing of borders between Algeria and Morocco (imposed by Morocco) is highly beneficial to informal trade, and simultaneously penalizes companies forced to engage in intermediate shipping through Europe in the course of formal trade between the two countries.

The total GDP of the AMU countries in 2009 and 2010 was under \$380 billion, which is tiny compared even to a small country like Korea, with its GDP of \$1.1 trillion, or the European area, where GDP exceeded \$18.28 trillion for the same period.

In 2010, GDP per capita was around \$4,041 in Algeria, \$3,759 in Tunisia, and \$2,720 in Morocco. Libya is the only country in Africa listed as a developed country by the UNDP's Human Development Index (with an index score of 0.83), indicating a parity of purchasing power with developed countries and a high per capita GDP of \$14,200. Mauritania is the poorest country, with just \$1,012 per capita, and is listed at the bottom of the Human Development Index rankings.

Between 2000 and 2010, the five Maghreb countries experienced sustained growth, with a real GDP increase of around 4 percent to 5 percent per year. However, even this remains low compared to some other geographical areas.

While borders have opened worldwide and trade has developed on a global basis, the Maghreb sub-region seems to have been an exception. The World Bank estimated in 2006 that full economic integration of the Maghreb sub-region would by 2015 enable a significant increase in each

country's GDP, of 24 percent, 27 percent and 34 percent respectively for Tunisia, Morocco and Algeria.

The World Bank also said that the region will need to create 16 million additional jobs between 2000 and 2016 in order to accommodate newcomers to the labor market and keep unemployment levels stable.

However, the AMU has ample opportunities for both political and economic success, with real potential and complementarities evident. According to my observations and that of other specialists, Maghreb economic integration would enable every country to gain around \$5 billion in annual GDP, which corresponds in terms of trade to the transactions between 2000 and 3000 Maghreb small and medium-sized businesses (SMEs) every year. Exports of agricultural products could increase by as much as 45 percent, which amounts to \$170 million, corresponding to 1 percent of the Maghreb's net agricultural GDP. In the power sector, integration of Maghreb power plants could result in efficiency savings of about 25 percent. Thus, if production exceeds 26 gigawatts over the next 20 years, integration would enable a savings of 6.6 gigawatts.

The creation of a Maghreb Free Trade Zone would boost the economies in the region, and would have a direct impact in two to five years. Intra-Maghreb trade as a whole could increase by 3 percent to 4.5 percent, or the equivalent of €3 billion to €4 billion. FDI could increase by as much as an estimated 75 percent, or about €5 billion per year.

The Maghreb sub-region has many assets that could facilitate this integration. These include:

- Cultural homogeneity;
- A young population;
- Strong potential for energy, industrial and agricultural production; and
- A strategic geopolitical position, thanks to its proximity to Europe and its role as gateway to Africa.

Representing a natural development reservoir for economies seeking dynamism, particularly in the present global economic situation, the Maghreb is drawing increasing interest from major economic poles such as the European Union and the United States, both through the Eizenstat Initiative and through international organizations and banks (UN, African Development Bank, Islamic Development Bank). It is also an essential component of EU countries' long-term future economic growth.

Challenges of emerging North Africa

Advances in political cooperation and a larger role for regional institutions could impact economic activity in the region through two main channels. First, emerging North Africa could do more to facilitate intra-regional trade, which would allow countries to specialize in their areas of strengths and yield a positive growth dividend. Second, by reducing internal trade barriers, the region would become a more integrated market, and thus be more attractive to FDI seeking a large customer base.

The North Africa region faces the sizable challenge of having to create 18 million jobs for its growing labor force by 2020. High and sustained growth is a precondition for such large-scale job creation, as well as for raising incomes. This in turn can be achieved by strengthening trade competitiveness, allowing the region to benefit more strongly from globalization and the dynamics of today's high-growth regions. Improving education outcomes and ensuring that graduates acquire the skills needed by the private sector are key elements in attracting firms that can compete in the global marketplace. These firms also seek business-friendly environments, which calls for further streamlining of regulations and additional investments in infrastructure – whether through public-private partnerships or by encouraging private-sector investments – in order to

increase the region's competitiveness. In this aim, the emerging region can build on successes already achieved.

The policy track record in the Mediterranean region

The following issues should be addressed in order to sustain an emerging North Africa integration process:

Economic stability: the consolidation of trade relations and the promotion of equalized economic interests in the region.

Military stability: the prevention of any state's military predominance within the Middle East and North Africa region, both with reference to Israel and the relative strength of North and South Mediterranean states.

Stabilization of the protagonists: support for those forces that contribute to cooperation and the equalization of interests in the region; further development of political cooperation in the sense of intensifying and institutionalizing dialogue.

Avoidance of war and its consequences.

First, economic cooperation between the southern participants in the Mediterranean partnership is still poor. Regional cooperation has to be supported, as it represents one way to fight the asymmetry of the overall partnership. This could be done by foreign investments aimed at initiating a new process of regional cooperation. This will create new pressure to make economic structures more competitive, and boost economic reform.

Second, an underlying implication in the partnership—that successful political and economic cooperation would endanger political elites' power and influence in many Mediterranean countries—must be acknowledged.

Nevertheless, with generational change has come a chance for political change in the region.

Third, more emphasis should be put on intensifying dialogue with civil society. This should focus not only on classic NGOs, but also on the economic level, involving trade unions and other professional organizations.

Fourth, EU-level community bodies should provide special funds to support member states in signing bilateral agreements with countries seen as immigration origin points. These latter states would in turn make commitments, in the form of memoranda of understanding, on the issue of illegal immigration (police cooperation, return of deportees, etc.). The European Union will also have to participate in agreements and treaties of the same type. In return for such agreements, the European Union will either support economic development (through funding of equipment, expertise and advice), or participate and encourage the democratization and stabilization of its partner countries' political regimes (countries serving as the origin points for emigration typically suffer from economic and/or political stability).

The European Union must remain flexible. Fighting against illegal immigration and wanting to stop human trafficking does require the demonization of foreigners. It is too easy to slip into racism or intolerance of others. The goals of European policy on immigration should be to ensure and protect rights and freedoms for all. This should aim at building solidarity between the rich North and the disadvantaged South.

Fifth, as a source of instability in the region, the Middle East peace process is not only a matter of European interest, but also serves as a crucial element in European responsibility for the region as a whole.

Conclusion

In the long run, the rule of law and democracy are central elements of political and economic stability in the Mediterranean region. However, more and better ways must be found for the region's countries to join in a concerted effort of economic region-building.

The challenge for the European Union is to boost efforts already under way to open up national economies, thus enabling productive intra-regional trade, investment, transfer of knowledge, innovation and technology sharing. This will deepen the collaborative process and ensure that existing regional economic institutions are truly effective instruments for region-wide economic development, while new institutions can be created as necessary.

In short, the securing of a homogeneous, peaceful and integrated emerging North Africa represents both a geopolitical and an economic goal for the coming decades.

Democracy in the South Mediterranean: Creating New and Balanced Relations with Northern Countries

Mehdi Lahlou

Unprecedented historic era

The Arab world, particularly the North African region, is going through an unprecedented and historic period of transformation. Youth revolutions have shaken the dictatorships in Tunisia, Egypt and Libya. These events herald a new era of democracy, human rights, economic growth, development and openness, opening the way for other countries in the region to demand increased measures of democracy and freedom, and a more balanced socioeconomic system.

Since there is a history of strong relationships between North Africa and Europe, it is likely that Maghreb countries will receive support from European Union countries aimed at fostering this nascent democratic movement. EU countries are likely to help in restoring the economic, financial and political balance between North and South Mediterranean countries. To a greater or lesser extent, EU countries will directly or indirectly contribute to the establishment of the rule of law and the strengthening of justice systems in North Africa, and will help in the consolidation and development of important economic and socioeconomic sectors.

Building democracy leads to a new balance

The drive to build democracy in North African countries also entails the striking of a new balance between European and North African countries. Previously, a state of imbalance has existed between democratic Europe and the undemocratic regimes in the Arab countries and North Africa. The rise of democracy in North Africa and Arab countries will enable us in the future to speak the same language, the language of democracy. This will facilitate institution-based dealings between countries of the two regions, founded on a common reliance on justice and the rule of law, and will demonstrate to observers that our countries enjoy real stability. Foreign investment will return and increase, and the potential for economic and financial exchanges between Arab and North African countries on one side and European countries on the other will be dramatically improved.

This state of imbalance was originally due to the fact that European Union countries negotiated and interacted with North African countries on a bilateral basis, engaging with each country individually. This set of circumstances was due to North African countries' inability to establish an integrated economy, or to build an integrated economic, financial and political group in the manner of the European Union. The region's lack of democracy was a significant root cause in this lack of unity.

The last 60 years of history shows the clear association between the establishment of the European Union and the construction of democracy. The accession of new EU countries such as Portugal, Spain and Greece was also linked to the rise of democracy within these countries.

A homogenous and integrated group in the south

The Arab revolutions and democratic movements which started at the end of 2010 took the world by surprise, particularly EU countries such as Italy, Spain and France (despite these being close to and having notable relations with us). In late 2010, EU countries moved cautiously, waiting to see what would happen in Tunisia and Egypt. Some observers criticized countries Italy and France among others for failing to encourage the democratic transitions as they occurred.

With the victory of the Egyptian and Tunisian revolutions, the reality has gone far beyond all predictions. This has left European countries with only one option, that of recognizing the democratic uprisings in North African countries. Now confronted with democratic peoples and communities, European countries have had to change their way of dealing with us. This kind of engagement will no longer be with individuals, but rather with communities, peoples and institutions.

To be sure, what is happening now in Libya is somewhat different. While dictators in Egypt and Tunisia stepped down when their people rejected their rule, the Libyan regime has proved obdurate, leading to a very different set of outcomes. Moreover, the internal and political situation in Libya—one of the region's biggest producers of oil and natural gas – is ambiguous compared to what occurred during the Tunisian and Egyptian revolutions. Accordingly, the European position is not clear cut. This led France to take a proactive stance, represented by its recognition of the Libyan National Transitional Council, and its subsequent calls for attacks on Libya. This use of military force was implemented following the issuance of Security Council resolution No. 1973.

Despite the difficulties in Libya, we believe the ongoing events in the Arab world, and particularly the movement toward democracy, will ultimately allow the establishment of a homogenous and integrated economic and

financial group of countries. This kind of homogeneity and integration promises to lead to the effective establishment of an institutionalized North African economic association. This will help bring relations between North Africa and the European Union to a new level. Furthermore, it will improve the quality of what are today unilateral relations, allowing them to develop instead into relationships between two groups with analogous socioeconomic conditions. This will help enhance political and social communication between the two groups over the long term, and economic and trading activities between the North and South Mediterranean countries will be strengthened.

A different approach to North African peoples

With such profound social and political transformations underway, it will be natural for advocates of freedom, democracy and advancement in North African countries to demand that the European Union reconsiders its approach toward our peoples. The new approach must be integrated and balanced, enabling it to serve the European peoples and economies as well as the communities and the cause of sustainable development within North Africa. This new approach cannot be unilateral, concerned solely with the interests of EU countries and specific individuals or governments in North Africa. In the past, such relations have been decidedly unbalanced in favor of the EU countries. This has remained true despite decades of speeches and statements by EU officials, the terms of the 1995 Barcelona Process, or the stated goals of the so-called Union for the Mediterranean in 2008. Rather than being comprehensive from a financial, economic or commercial perspective, such agreements were always partial. Furthermore, the EU countries rejected reciprocity in terms of the free movement of individuals.

The construction of internal democracy and the consolidation of regional economies will establish the balance we seek. It will help establish new relationships based particularly on the principle of the free movement of individuals between the North and South Mediterranean. Real balance will occur only when there is reciprocity in terms of the free movement of individuals.

Make balance meaningful

Relationships between countries should primarily serve the individual peoples and their communities, and be as balanced as possible. However, commercial, financial, industrial and political relations between EU and North African countries have in the past been biased in favor of European markets and to the benefit of European companies, on the pretext that these companies account for a comparatively larger share of Mediterranean and global trade, and that a large part of our countries' economic sectors are controlled by European companies. Indeed, significant sectors in Morocco, Tunisia and Egypt are monopolized by European capital. This is not the case for North African capital in EU countries. Balance would mean that financial and economic relations should benefit both parties, not only those having capital, as is the case today with European companies.

It is possible to build balanced relations. There is room for integration between the European and North Africa economies. Europe needs gas and oil from Algeria, Libya, Egypt and even Tunisia. Europe needs to increase agricultural productivity to meet the global food crisis, while Morocco has substantial stores of phosphates, which enrich the soil and increase crop yields. The need for new and renewable energy sources is very urgent, particularly given the events in Japan. Renewable energy will allow countries to dispense with the use of nuclear energy. North African

countries have access to new, renewable and pure sources of green energy, such as solar power generating potential. Investment in this sector started in Morocco in late 2009.

Water is a bridge, not a barrier

Those of us on the left and in progressive movements in the Maghreb and other North African countries view water not as a commodity exchanged in markets, but rather as property held in common by all communities around the Mediterranean. Therefore, it is particularly important that there be balanced relations between North African and EU countries in this field. Water resources in North Africa and in EU countries should be used in a manner that meets the basic needs of populations, grounded in the fact that water is the common property of all. Sectors such as education and scientific research hold promise for the effective and positive future exchange of expertise and experience. A part of the region's advantage here is demographic – unlike Europe, where populations are aging and the number of young people is decreasing, South Mediterranean countries have large, young populations with considerable potential within the fields of production, education and scientific research. Indeed, countries' futures are determined by the energy of their young people. What we lack is an institutionalized structure and academic framework for scientific research and the exchange of knowledge, which would allow these young populations to unlock their potential and uncover their talents. If this can be established, these individuals would be better able to play productive roles in the development of relationships between our countries.

Undoubtedly, the agricultural sector represents another promising field for integration between North and South Mediterranean countries. European agricultural products are widely marketed in North Africa, and this region in

turn has access to European markets. Therefore, there are substantial opportunities to exchange agricultural experience, expertise and products between North Africa and Europe.

In the agricultural sector, there is also room to establish tripartite cooperation between North African, European and African Union countries to help Sub-Saharan African countries overcome their various food and economic crises. The Maghreb countries can provide human resources and expertise, while Europeans can provide financial resources and expertise in a variety of fields. These two groups, in cooperation with countries including Niger, Mali, Senegal and Burkina Faso, can contribute to developing the economies of these areas and restructuring their productive sectors in a manner that will minimize the waves of immigration feared by many Europeans.

In sum, there are a number of fields where cooperation between North African and EU countries is possible. Those mentioned above are strategic fields with positive potential for each side's future, and which can contribute to integration. All these facts call for the establishment of a regional framework enabling the exchange of experience. The question is: After the failure of the Barcelona Process and the French-backed Union for the Mediterranean, is an alternative framework possible?

Building a new framework for relations

In fact, the prospect of a new framework for relations between EU and North African countries, particularly if focusing on the above-mentioned sectors, naturally draws our attention to lessons learned from the Barcelona Process and the Union for the Mediterranean as proposed by the French president.

The Barcelona Process and the Union for the Mediterranean failed for two reasons. First, an integrated structure cannot be established between two heterogeneous groups, particularly at the political level. In general, Europe is considered to be democratic and respects the rule of law and the sovereignty of peoples, while North African countries have been ruled by dictatorships or semi-dictatorial regimes. Second, Israeli aggression in the early 1990s, and later in the war launched by Israel in 2009 against the Palestinian people in Gaza, proved to be a stumbling block. This issue led to full suspension of the Union for the Mediterranean.

We propose the establishment of a new system for relations between EU and North African countries, based on the understanding that North African countries are in the process of democratization, at least until further changes occur in all North African countries. I believe The Maghreb and the rest of North Africa's countries are sure to change soon. This will allow the construction of a semi-homogenous group that can serve as the basis for a union or association incorporating European Union nations and North African countries from the Maghreb to Egypt. This system would allow for the development of democratic structures, which would enable us to implement projects in the above-mentioned areas.

What the Think Tanks are Thinking

*Julia Seiler**

For years, the European Union has sought to promote democracy, human rights and the rule of law in its neighboring states of the Middle East and North Africa. However, it was not until the winter of 2010 – 2011, when thousands of citizens across both regions began pouring into the streets demanding civil and political rights, that genuine transition began to take hold. By mid-February of 2011, Egyptians and Tunisians had toppled their regimes through (predominantly) peaceful protests, Morocco's King Mohammed VI announced democratic reforms and by March 2011, Libyans were engaged in a grim battle against the country's leader Muammar Qadhafi. Fueled by these developments, the Arab Spring has spread to Algeria, the Gulf region and the Levant.

Think tanks across Europe have published several papers in response to these moving developments, many of which address the future of European-Mediterranean relations. So far, their voices have dominated debates on the future of these relations, while North African and Mediterranean institutions have focused primarily on internal or regional issues. Addressing this imbalance, this publication invites experts from the Middle East and North Africa to discuss the issues relevant to this relationship and explore the following questions: Why have EU initiatives promoting democracy failed? How can the EU support the ongoing transition process? To what extent do the transformations under way offer

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opportunities for Europe and North Africa? In what follows, I offer a summary of viewpoints taken by various experts at think tanks and institutions across Europe, North Africa, and from the United States.

Restoring Europe's credibility

Scholars agree that the developments under way in the Middle East and North Africa provide unique opportunities for the European Union to rebuild credibility and demonstrate its skills as a global player. Pointing to the transition process in Tunisia, Edmund Ratka identifies an opportunity for the European Union to resolve its democracy vs. stability dichotomy in *Den demokratischen Aufbruch in Tunesien unterstützen und Europas Akteursfähigkeit stärken – Handlungsempfehlungen für die deutsche Außenpolitik* (January 2011). Having emphasized Realpolitik over socioeconomic and democratization issues for decades, and having supported authoritarian leaders in Egypt and Tunisia, he argues that Europe should finally take the steps to live up to its self-perception as a representative model of democracy, human rights and regional integration. It must demonstrate its ability to provide appropriate and swift support in helping its neighbors stabilize.

Criticism

The urgent need for Europe to revise its management of regional and inter-regional issues is addressed by Elina Viilup in *The EU's Weak and Slow Reaction to Arab Spring Has No Excuses* (March 2011) and Shimon Stein in *The EU and Recent Events in the Southern Mediterranean* (March 2011).

Both authors criticize European leaders' response to the wave of Arab democracy in particular and express doubts more generally about the EU's qualifications as a global player.

Like Viilup, Isabel Schäfer is also critical of the European Union's slow response to the revolutionary movements in North Africa. In her article *Revolution bei den südlichen Nachbarn – Zeit für eine neue Politik der EU gegenüber der arabischen Welt* (March 2011), she sees in the current developments an opportunity to question Europe's cooperation with authoritarian leaders.

These concerns are shared by Rym Ayadi, Silvia Colombo, Maria Cristina Paciello and Nathalie Tocci, who admonish the European Union for having taken for granted stability in the Mediterranean. In *The Tunisian Revolution: An Opportunity for Democratic Transition* (January 2011) the authors call on the EU to demonstrate greater resolve toward states that are willing to cooperate on security issues but nonetheless fail to take political reforms seriously. The EU should also stop the unquestioned support for neo-liberal economic policies or counter-terror measures.

Annegret Bendiek is critical of the indifference demonstrated by the European Union's European Neighborhood Policy (ENP) toward actual democratization processes in the countries concerned. She identifies Algeria and Libya as examples of countries in which the EU intensified its relations on energy and migration issues despite the stagnating transition processes observed in both. Bendiek warns in *Wenn es Europa ernst ist* (February 2011) that the effectiveness of future offers for development cooperation will be limited if the EU does not reform its ENP as well as EU trade and migration policies. In *A New Neighbourhood Policy for the EU* (March 2011) Charles Grant argues in favor of ENP reform. However, pointing to the politics of public consensus, he expresses concerns about the negative effects incurred by having to garner support for reforms among the broader European public. Should European leaders hesitate in

delivering aid and overhauling their foreign policy instruments, they will be incapable of providing the support their neighbors need. Also underscoring these problems, Michael Emerson, Rosa Balfour, Tim Corthaut, Jan Wouters, Piotr Maciej Kaczyński and Thomas Renard call for a substantive rethinking of European foreign policy in *Upgrading the EU's Role as Global Actor* (January 2011).

Whereas some experts doubt the effectiveness of European policies alone, others dig deeper, challenging the EU's underlying concept of the Mediterranean. In *Why the EU Needs a "Broader Middle East" Policy* (June 2010), Edward Burke, Ana Echagüe and Richard Youngs identify weaknesses in the construction of "the Mediterranean" as a concept and in the policies built around that concept, which effectively prevents the EU from establishing an appropriate and broad regional approach. Neglecting the Gulf states not only hinders regional integration but also precludes the EU from seizing important opportunities in developing trilateral (i.e., GCC-Maghreb-EU) cooperative frameworks effective in addressing regional conflicts. In *La Méditerranée par ceux qui la construisent* (November 2010), Hassen Zargouni outlines the ambiguity of the EU concept of "the Mediterranean" and discusses, among others, alternative definitions in circulation.

Pointing to the Union for the Mediterranean's political deadlock resulting from the Middle East conflict and the recent developments in the Maghreb, Christian-Peter Hanelt and Almut Möller argue for restructuring the Union along the lines of a security forum that includes the Gulf states in *How the European Union can Support Change in North Africa* (February 2011). One such reform, they suggest, could be to transfer the Union's more favorable projects, such as those concerning energy policies, to the ENP.

Recommendations

What can, and should, the European Union do to improve its support for democratizing countries in particular and North Africa in general? These are the questions raised by critical voices in think tanks throughout Europe, North Africa and the United States. Several publications address EU decision-makers in particular with a list of recommendations. However, the majority of publications point to the key issues summarized in *Actions to Support Democratic Transition in the South Mediterranean Region*, a joint statement published in March 2011 by the Centre for European Policy Studies (CEPS), the EuroMeSCo and the European Institute of the Mediterranean (IEMed). In addition to the need for ENP reform, the joint statement recommends developing a financial action plan for the support of democratic initiatives and institutions, and promoting democratic culture through platforms by which civil society organizations in both regions can exchange their experiences and ideas. The statement also calls for the EU to provide technical assistance, support free and fair elections, and encourage stability and security by revising its armament export policies.

Several scholars have demanded a liberalization of trade and migration policies. Volker Perthes, in *Ein Pakt für Arbeit, Ausbildung und Energie* (February 2011) advises the EU to explore and strengthen domestic capacities in North African countries. His suggestions include offering North African graduates visas, work permits and traineeships as well as affordable start-up loans in order to expand the available prospects for young talent in the region. Perthes sees in energy policy a particularly potent opportunity for EU-Maghreb cooperation that can advance both markets while creating new jobs in the Maghreb.

In *The Arab Democratic Wave. How the EU Can Seize the Moment* (March 2011), Álvaro de Vasconcelos (ed.) proposes new incentives for democratization and the reconstruction of the Union for the Mediterranean

in order to achieve the Barcelona 1995 aim of a “European Mediterranean Community of Democratic States.” Like the joint statement, the authors here emphasize the urgent need for coherent EU action.

Among all the articles outlining suggested actions to be taken by the EU, Richard Youngs’ *What Not to do in the Middle East and North Africa* (March 2011), is the only one to provide a list of “don’ts” and to question the effective substance of suggestions to promote democratization through education and knowledge-sharing.

Focusing on the need for credit in the Middle East and North Africa, Francis Ghilès suggests establishing a regional bank suited to the region’s needs in *A Bank to Rebuild the Southern Mediterranean* (March 2011). Such a bank could provide convenient credits for small- and medium-sized enterprises or fund specialists monitoring economic development throughout the South Mediterranean.

Franco Zallio encourages the EU to reform its financial discourse and offers further ideas for support of the transition process in *Reforming Economic Reforms: Europe and the Ongoing Transformation in Mediterranean Countries* (March 2011). In his opinion, the economic discourse currently in use in Egypt and Tunisia will undergo change as the economic policies pursued by Hosni Mubarak and Zine El Abidine Ben Ali will be replaced by policies driven by populist concerns. Zallio warns that these populist economic policies might have positive short-term effects, but fail to consider long-term developments and consequences. He advises the EU to tie its financial assistance to “a set of structural measures promoting [...] a reform of the economic reforms implemented so far.”

In *Migratory Flows from North Africa: Challenges for the EU* (March 2011) Yves Pascouau and Sheena McLoughlin advise the EU to exercise solidarity by taking steps to ensure that human rights are respected in the protection of its borders. Such measures include providing immediate and long-term aid that includes strategies to promote economic growth. The

authors also call on the EU to distinguish and take seriously the needs of migrants in order to avoid a blanket denial of entry for all migrants.

The Libyan case

Three articles addressing recent events in Libya deserve mention for providing recommendations for international engagement in Libya and exploring possible outcomes.

In *Libya: Three Possible Outcomes and the Role of Governance, Money, Gas and Oil* (March 2011) Anthony H. Cordesman outlines three possible outcomes—Qadhafi's victory, the rebels' victory or stalemate—and the crucial role natural as well as financial resources play for the combating factions. Regardless of the final result, he predicts a dark future for Libya given the tattered state of its economy and political system.

Examining the international community's engagement in Libya, Marius Müller-Hennig delivers another account of the country's future in *Internationales Engagement in Libyen. Jenseits von Flugverbot und Militärschlägen* (March 2011). The author doubts that the West will be able to achieve on its own the objectives of the UN Resolution, that is, a ceasefire, humanitarian aid and peace process. Müller-Hennig argues that the West should be prepared if Libya asks for further international help. The West should arrange in advance neutral international or regional actors to monitor and mediate any such process.

Like Cordesman and Müller-Hennig, Omar Ashour predicts in *Libya Revolution: Future Scenarios and the West's Role* a long and difficult path towards peace and stability in Libya (February 2011). Pointing to the various rivalries within and between Libya's military, security apparatus and tribes, Ashour explores the extent to which these rivalries can shape the conflict's

outcome and emphasizes the West's responsibility in inhibiting Qadhafi's troops from committing any (further) crimes against humanity. Countering assumptions of a weak Libyan civil society, Ashour highlights a political sophistication among the population that is often overlooked.

Outlook

In spite of the criticism waged at the ENP, Štefan Füle reminds us of its importance and potential in reinforcing peace, democracy, prosperity and stability in *Future Prospects for EU Enlargement and Neighborhood Policy* (January 2011). Echoing these sentiments, several of the publications underscore the power of cooperation while noting the failures of missed opportunities.

In *The Mediterranean: Opportunities to Develop EU-GCC Relations?* (June 2010) Christian Koch identifies shared EU-GCC goals and interests that could shape concerted actions in the Mediterranean. Noting that Arab and European interests overlap in the Mediterranean, Koch warns against neglecting the GCC's role in this region, which would undermine opportunities for trilateral economic and security cooperation.

Tobias Schumacher identifies similar issues in *Transatlantic Cooperation in the Middle East and North Africa and the Growing Role of the Gulf States* (July 2010). Given the GCC's goal of expanding its economic influence to the political level, the EU would be well-advised to include the GCC in regional cooperation efforts addressing political and security issues, such as desertification or terrorism. The absence of a regional Arab security forum is even enhanced by the common EU and NATO policies fragmenting the

region. Separating the Mediterranean from the Gulf hinders regional integration and the generation of trust between Arab countries.

Although written before the Arab Spring began to unfold, the articles by Koch and Schumacher form a valuable basis for further discussion on broader cooperation efforts. In the context of current developments, Timo Behr suggests that the EU look beyond the Mediterranean region as he explores the pan-Arab features of the democracy movement in *Europe and the Arab World: Towards a Principled Partnership* (March 2011).

The German Council on Foreign Relations has organized the *EU – Middle East Forum (EUMEF)* to facilitate strengthened relations between the two. The forum provides a platform for young Middle East and EU experts to discuss regional issues, in particular those involving stability and energy security.

The Moroccan Amadeus Institute hosts an annual international *MEDays Forum* in which global policy-makers can discuss political and economic issues of common interest to countries across the Maghreb, Africa and Arab regions. The Institute's *Business MEDays Forum* will provide a similar platform for cooperation in areas of commercial interest. The Institute's Mohamed Mokeddem stresses the advantages of economic cooperation between Algeria, Morocco and Tunisia in *Regional Economic Integration in the Maghreb*.

A project conducted by the Center for Near and Middle Eastern Studies (CNMS) at the Philipps-University in Marburg, Germany, the *Foreign Policy Positions of Moderate Islamist Parties towards the Euro-Mediterranean Partnership*, is worth noting for its exploration of positions held by moderate Islamist parties in Egypt, Algeria, Jordan and Morocco. Given the Egyptian Muslim Brotherhood's prospects at the end of Mubarak's repressive regime, such research projects can contribute to a more differentiated debate about European cooperation with parties in the wake of regime change.

Finally, in *Arab Popular Uprisings or the Arab Revival to Political Modernity* (March 2011), Burhan Ghalioun celebrates the demands of Arab populations for sovereignty and democracy as a milestone marking their arrival to political modernity.

Clearly, the Arab Spring represents an opportunity for the EU to not only strengthen its ties with its neighbors to the south, but to re-think its policies vis-à-vis the Mediterranean, North Africa and the entire Middle East. At the same time, the articles highlighted here emphasize the need to respect the domestic needs and desires of the populations swept up by the Arab Spring as they navigate their own course forward.

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To be published in summer 2011
approx. 240 pp., paperback
approx. EUR 30.00 / ISBN 978-3-86793-081-9

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