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ENLARGEMENT AND THE NEIGHBOURHOOD

The European Neighbourhood Policy and North Africa: Acknowledging Tensions and Putting Reforms First

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The context

Since 2004, bilateral relations between the EU and North African countries – Morocco, Algeria, Tunisia, Libya, and Egypt – have been organised through the European Neighbourhood Policy (ENP). As a result of a 'variable geometry' of sort, this has led to some Arab-Mediterranean states being drawn closer to the EU than others.

Some North African countries are indeed regarded as part of a 'ring of friends,' as the European Commission initially characterised it. In October 2008, Morocco was the first ENP partner to be granted an advanced status, in the framework of the so-called 'Governance Facility,' which the European Commission had proposed in its December 2006 Communication in order to encourage neighbouring countries in their reform process. By embarking on selective top-down liberalisation, and by presenting itself as a vanguard of Arab reform, Morocco is presented as a success story in this context. Rabat has also been willing to cooperate on illegal immigration, drugs trafficking and crime prevention, all items dear to some EU member states.

Tunisia is also considered a good partner. Its repeated infringements of human rights have apparently not weighted heavily in EU considerations; Tunisian economic reforms, westernised elite and 'stable' regime have instead made it an attractive country. Tunisia was the first south Mediterranean country to establish a free trade zone with the EU when the last remaining customs barriers were lifted on 1st January 2008. Tunisia, like Morocco, needs Europe because of its lack of natural resources. Some EU member governments in turn need to cooperate with them, in order to show progress on sensitive issues such as illegal immigration and terrorism. Morocco and Tunisia have as a result turned into Brussels's poster children for the ENP in North Africa.

The case of Egypt is different. Cairo is an important player in the Middle East, and perceives itself as having a pivotal role between North Africa and the Middle East. Furthermore Egypt has major gas and oil resources, which makes it attractive to some EU countries. Whereas Morocco and Tunisia signed the Action Plans in 2005 without any major contentions, Egypt did not sign until 2007 because ENP's political conditionality is (mildly) critical of President Mubarak's authoritarian regime and particularly of its unwillingness to recognise influential opposition movements such as the Muslim Brotherhood.

Algeria is a 'reluctant' neighbour. It remains the only South Mediterranean country included in the ENP not to have signed an Action Plan. Algeria is one of the main oil and gas 'arteries' towards Europe, which makes it strategically relevant not only for the EU, but also for Russia, the United States, and China. Thanks to skyrocketing oil prices, it has amassed huge foreign currency reserves and has paid its foreign debt. Seen from Algiers, the ENP does not provide added value. As an indirect testament to this, Algeria is displaying more interest in membership of the World Trade Organisation (WTO).

Libya, the former rogue state, has come in from the international cold after the lifting of the UN and US sanctions. With billions of dollars collected from the oil and gas sector, combined with a small population, Libya is the North African nation that appears best prepared to weather the global economic downturn. Like Algiers, Tripoli does not need the ENP; it is not part of the policy and has declined the invitation to be a member of the Union of the Mediterranean. Libya is interested in exporting hydrocarbons and cooperating with the EU on illegal immigration and terrorism. As EU Commissioner for External Relations Benita Ferrero-Waldner recognised in a visit to Tripoli in February 2009, Libya has the potential to be an extremely important partner to the EU with regard to energy, illegal immigration and trade.

The unintended effect of the ENP's bilateralism is that it exposes how differently the five North African countries react to European proposals of joint partnership. It uncovers the difficulties in creating a North African region that is ridden by inter-state conflicts (including the frozen West-Sahara conflict) and closed borders (between Morocco and Algeria since 1994). Wealthy regimes, such as Algeria and Libya, can cope and go global. Morocco and Tunisia look for the EU for support, while Egypt is situated somewhere in the middle.

Although the narrative underpinning the ENP has concerned avoiding new dividing lines being erected between the EU and its neighbours, these recent developments confirm there is an inbuilt tension between the declared goals of the policy and their implementation. This tension is primarily due to the ambiguous relationship between the EU's self-representation as an exporter of standards such as democracy, and the threat perception in relation to the Mediterranean neighbours. The EU discourse on the promotion of its norms and values has been challenged by a perception of the Southern Mediterranean space as inherently conflictual.

The threat of Islamist terrorism, illegal immigration and organised crime have made a more cautious and less pro-active EU policy look justified, which has in turn indirectly contributed to the preservation of regime *status quo* in the Southern Mediterranean countries. Southern Mediterranean regimes have themselves been willing to cooperate with the EU and in the ENP context on Islamist terrorism and illegal immigration because these items are perceived as threats to their own stability. As a result, threat perceptions on both sides have reduced the space for political reform in the Arab-Mediterranean space. EU initiatives aimed at promoting democracy in these countries have so far have primarily concentrated on technical support, e.g. the purchase of electronic equipment for monitoring elections, rather than focusing on the institutions and standards that are supposed to strengthen a functioning liberal democratic process.

The European Commission is well aware of these dilemmas. For example, the General Affairs and External Relations Council stated in the June 2007 document *Strengthening the European Neighbourhood Policy* that "the shared political commitment must be translated into more attractive and palpable incentives for the partners, notably in the area of democracy, governance and the rule of law". But notwithstanding some notable innovations such as the so-called Governance Facility, aiming at rewarding well-performing neighbours, not even this enhanced Neighbourhood Policy 'Plus' has turned the tide on democracy promotion in the Southern Mediterranean. This is ultimately not related to the type of incentives that the EU is able to put on the table, but rather to the limits of EU conditionality-based mechanisms. North African regimes are interested in access to the EU internal market and in European investments in their countries. At most, they want freer movement of persons, a long-term goal that is hampered by restrictive EU visa-policy.

EU statements frequently acknowledge that political and economic reforms cannot be imposed from the outside. While it is hard to disagree with such statements, this insistence on a currently non-existent inside-out dynamic has ended up as a justification for placing political reforms on a backburner of EU policies in the Southern Mediterranean. As a result, the record of the ENP in the South testifies to the crisis in the EU's self-representation as an exporter of universal values. It demonstrates the obvious difficulties in defining a policy towards the neighbours that have no prospect of EU membership. It leaves unanswered the question of whether and how the EU can resume the 'pull factor' that has defined the relations with its neighbours elsewhere in the European periphery.

Significant developments of the past eighteen months

At a pan-European level, the most significant development during the past Trio Presidency has been the launching and initial implementation of the Union for the Mediterranean, at the outset of the French EU Presidency. In the run-up to the grand opening of the Union for the Mediterranean, when 43 heads of states and governments joined President Sarkozy in Paris in

July 2008, a compromise was struck on the actual scope and structure of the new initiative. The new Union would be embedded within EU policy, upgrading and complementing the ongoing work in key sectors such as the environment, energy, research, and transportation. In order to signal the desire to revitalise existing institutions, its official name has become 'Barcelona Process: union for the Mediterranean'. Rather than a centralising executive, the secretariat of the Union was designated to be a technical office for project coordination, chaired by two rotating consul-like figures, one from the EU and one from a North African country. The first should be from France and the second from Egypt which has a long, special relationship with France and serves as a pivotal point between the Middle East and North Africa.

Less than two years after its inception, it is too early to evaluate and pass judgement on the implementation record of the Union for the Mediterranean, but a few considerations can nevertheless be made. For one, the Union for the Mediterranean, diluted as it now is, remains aimed at addressing some of the more blatant shortcomings of the regional approach of the EU policy. The holistic approach of the Euro-Mediterranean Partnership, although endowed with some €8.8 billion in financial assistance between 1995 and 2006, failed to deliver concrete benefits for North African partners. The rather delimited scope of action of the Union of the Mediterranean aims at tackling this deficiency and may well succeed in delivering some significant results.

On the other hand, the more inspired political rhetoric that accompanied Sarkozy's initial project has underlined the same contradictions, and so far suffered a similar fate, of previous EU initiatives, most notably the Euro-Mediterranean Policy. Over the past eighteen months, a blatant example of EU foreign policy fragmentation in the region was the war in Gaza in January 2009 and the European reaction to it. The Gaza war painfully underlined EU policy constraints, with the Czech EU Presidency sending a diplomatic mission on behalf of the Union, several European governments placing the blame for resuming the hostilities squarely on Hamas, while some segments of the French government condemned the Israeli offensive and President Sarkozy put together a diplomatic mission of his own.

As is the case with other policy issues and in other geographical areas, EU divisions also have a more pro-active dimension, taking shape in bilateral relations between EU member states and individual partner countries in North Africa. Over the past year and a half, the more high-profile cases in this respect have arguably pertained to Libya's fledgling 'normalisation'. In August 2009, Scotland released (on compassionate grounds) convicted Lockerbie bomber Abdelbaset Ali al-Megrahi. European public opinion was outraged to witness the hero-like welcome that Megrahi received upon his arrival in Tripoli. Opinion makers voiced concerns about the negative impact of commercial interests on the relationship between the British government and Gaddafi's dictatorship.

The evolution of the bilateral relations between Italy and Tripoli has also proven controversial for the EU's international standing. Since August 2008, the Italian government is

tied to Tripoli by a 'Treaty of Friendship, Partnership and Cooperation,' under which Rome has agreed to paying $5 billion in economic reparations as compensation for Italy's colonial rule. The agreement also opens the way for substantial Italian investments in Libya's hydrocarbon sector, and for investments by Libya's sovereign wealth funds in the Italian market. Moreover, the accord provides for the 'forcible return' of African migrants – and potential asylum-seekers – trying to reach Italy from Libya by sea. Italian Prime Minister Silvio Berlusconi has defended the deal as being about "less illegal immigrants and more oil".

The limits of the EU's holistic approach as perpetuated in the Union of the Mediterranean, coupled with EU foreign policy fragmentation as witnessed in initiatives involving individual EU member states, point to the broad themes which we wish to identify in our conclusion.

Conclusions

Five years since the inception of the ENP and two years since the launching of the Union for the Mediterranean, the current Trio Presidency needs to look again into the under-performance of the EU policy mix in North Africa. The foreign policy architecture provided by the Lisbon Treaty – including the new High Representative and the External Action Service – will take shape during this time-span and it is likely to have only a limited impact on the more profound deficiencies of Euro-Med relations. At the same time, for reasons pertaining to its geo-strategic positioning and interests, the Spanish EU Presidency is likely to inject some political momentum into the EU's North Africa dossier.

If anything, the past fifteen years of European engagement have confirmed that the EU recipe has not notably affected the societal, political and economic situation in North Africa. It will not be possible to turn this tide in 18 months. At the same time, the EU's attempts have perpetuated a number of trends, in some cases rooted in serious strategic and conceptual misconceptions, which the current Trio should reflect upon for further consideration.

First, there is the tension between multilateralism and bilateralism – and between the strategic logics underpinning both – which have led to what might be termed a malign competition among the parties involved. This competition is not always perceptible, but it explains how the policy formats launched by the EU over the past fifteen years have, in effect, undermined each other. On the multilateral side, competition has played out most notably in the animosities among the Southern EU member states that should be most naturally interested in fostering cooperation with North Africa (as well as between these countries and the European Commission).

On the bilateral side, the 'positive conditionality' promised in the ENP has yet to bear fruits in terms of North African's reform potential and its approximation to EU standards. In fact, it is fair to argue that the ENP has so far failed to deliver on the virtuous cycle, whereby progress

in one country was expected to encourage reforms in neighbouring countries. If anything, Brussels' hub-and-spoke bilateralism may have indirectly reignited entrenched rivalries and made international partners other than Europe look more attractive. To make the point: the EU's rewarding of Morocco's performance has not been conducive to reforms in Algeria or Libya. Quite to the contrary: emboldened by their hydrocarbon riches, the regimes in these countries have opened up to other geopolitical scenarios and investors, including Sub-Saharan Africa, Russia and China. Multilateralism and bilateralism are indeed 'complementary,' as the standard EU mantra on this matter goes. But specific sectoral niches for each need to be identified, and more importantly, they require painstaking work in order to be reconnected to an overarching, shared narrative about the EU's goals in the region.

Not unrelated to this priority, the second theme concerns the ways in which the discourse and practice of EU democracy promotion have played out in North Africa. Differently from the EU enlargement process, in which the advancement of democratic standards in the candidate countries is embedded in the conditionality machine, in ENP countries, and in the South in particular, the assumption has been that economic cooperation and development would eventually spill over into political reforms. The catch with this approach is not only that, as North African policy makers and observers constantly point out, economic cooperation prospects have been hampered by protectionism on the part of EU countries in key sectors such as agriculture and textile. It is that the actual debate on democracy in the countries in question has been systematically coupled with real or perceived security concerns. This 'securitisation' has featured prominently among some North African autocratic regimes, which argue that reforms on their part would pave the way for a takeover of Islamist extremists. The EU (and, to be fair, also the United States) has reinforced this argument by linking the promotion of democracy in the region with the fight against terrorism. A more pragmatic EU strategy on this point would counsel a lower profile for the strategic importance of political reforms in the domestic transformation of these countries.

The EU can improve its democracy promotion record by concentrating on what can actually be achieved on the ground in terms of, e.g. independence of the judiciary, the rule of law, separation of powers and the inclusion of non-violent Islamist parties in the political process. Notwithstanding the relatively scarce means available to Brussels institutions to promote democratic reforms, some EU governments, political foundations and civil society actors have provided the kind of long-term engagement with regional actors whose potential impact remains underexploited at the EU level. A more coordinated approach on democracy promotion among the European parties involved could in turn go some way towards reconciling the tensions between the multilateral and bilateral agendas highlighted above.