



Overview Paper

The Arab Revolts: A European Awakening?

**Policy seminar organised by the Netherlands Institute of International Relations
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The Arab revolts have not only led to changes in the Middle East and North Africa, but also force the European Union to reconsider its position and policies towards the region. While a window of opportunity is opening in the Arab world, it is widely conceived that the EU should seize the moment and support the transition processes in the region. Nevertheless, the question remains how and by what means this should be done. By bringing together policymakers, experts and academics from European and Arab countries this seminar aspires to identify the EU's policy priorities for the coming years. The focus will be on democratisation, the rule of law and economic development. Without losing sight of the regional context, the seminar will concentrate on the situation in Egypt, Tunisia, Morocco and Jordan. As preparatory work for the seminar, this overview paper briefly introduces the topics and raises questions that are meant to stimulate the debate during the seminar.

Introduction

The revolts in the Arab world took the European Union (EU) by surprise and have forced it to rethink its relations *vis à vis* the region. With the fall of the authoritarian regimes the psychological and political walls between Europe and the Arab world appear to collapse. The demands for dignity, respect for fundamental human rights, employment and political transparency that people in revolt have made, appealed directly to European feelings of solidarity. Moreover, the causes of the Arab revolts have made the EU aware of the tremendous problems the countries in the Middle East and North Africa (MENA) are facing. The exponential level of corruption and the unprecedented concentration of wealth among the ruling classes led to an undesirable concentration of economic and political power. At the same time, the unemployment rates are high – especially among the young and the higher educated – and large sections of the population have been impoverished and made vulnerable to rising international food prices.

Almost a year after the first uprisings in the MENA region, many of these problems remain and have even deteriorated as economic growth, foreign investment and tourism have plummeted. Although Ben Ali, Mubarak, Gaddafi and Saleh have left the scene, it is uncertain whether the new governments in these countries are able to solve the basic problems the authoritarian regimes have bequeathed to their successors and to push through the required political and economic reforms. In the case of Morocco and Jordan, the monarchies have tried to preempt revolt and implement partial reforms to fulfill the demands of the people for enhanced civil rights. Nevertheless, we have to wait and see if the implementation of these partial reforms will lead to major changes in the future. Hence the elections taking place in Tunisia, Egypt and Morocco in the fall of 2011 have been an important, but not an irreversible step towards democratization. In all three countries Islamist parties have gained a majority or won the elections. How will these Islamist parties develop and which role will the conservative powers play in the region?

In other words, a profound democratic transition in the MENA region is still a long way to go. Yet the EU needs to react swiftly to the changes in the region, which pose a unique opportunity to economically and politically support the transition process. Consequently, the question arises how this should be done. Based on EU's initiative for the '*Partnership for Democracy and Shared Prosperity*' and the European Neighbourhood Programme (ENP) review '*A new response to a changing Neighbourhood*', in September 2011 the European Commission launched a new package of support, in addition to the existing neighbourhood policy.¹ This package includes the 'Support for Partnership, Reform and Inclusive Growth' (SPRING) Programme, a Civil Society Facility, a Special Measure to support the poorest areas in Tunisia, and the Erasmus Mundus Programme which aims to stimulate the mobility of students and academics from the region.² These new proposals show the EU's willingness to adapt its policies to the changing circumstances in the MENA region.

¹ Joint Communication of the European Commission and the High Representative of Foreign Affairs, '*Partnership for Democracy and Shared Prosperity*', 8 March 2011 <http://www.eeas.europa.eu/euromed/docs/com2011_200_en.pdf> (accessed 20 December 2011). Joint Communication by the High Representative of The Union For Foreign Affairs And Security Policy and the European Commission, '*A new response to a changing Neighbourhood*', 25 May 2011 <http://ec.europa.eu/world/enp/pdf/com_11_303_en.pdf> (accessed 20 December 2011).

² European Commission, '*EU response to the Arab Spring: new package of support for North Africa and Middle East*', 27 September 2011 <<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1083&format=HTML&aged=0&language=EN&guiLanguage=en>> (accessed 20 December 2011).

Nevertheless, it will be a great challenge to implement these new initiatives and reap their benefits in the near future. Geopolitical circumstances have changed profoundly. Not only have authoritarian regimes in Tunisia, Libya and Egypt been replaced, while Syria is in permanent turmoil, geopolitical relations too have been subject to dramatic changes. It seems that with the collapse of Syria, Iran is losing its influence in the region whereas Turkey is emerging as a new regional power. In the Mediterranean new coalitions, based on Islamist solidarity, Gulf money and Turkish entrepreneurship are emerging, which might compete with Western influences.

This seminar aspires to provide policy recommendations on how and by what means the EU can make a difference during the transition process in the Arab world in the short and the longer term. In this respect the discussion will concentrate on democratization, the rule of law and economic development, which in mutual consistency could lead to a successful and sustainable transition process. To discuss the role of these issues more profoundly, the seminar will be confined to the contemporary situation in Tunisia, Egypt, Morocco and Jordan, while not leaving the broader regional context out of sight. The focus will be on these four countries, since the EU selected them – in response to the promising progress that was made regarding political reform – as the initial candidates for additional funding (at the time the SPRING programme was adopted).³

As preparatory work for the seminar, this overview paper briefly introduces the subjects and raises questions that will stimulate the debate during the seminar. In accordance with the structure of the policy seminar, the first part of this paper will focus on the lessons that could be learned from the EU's pro-democracy policies in other regions and its relationship with the MENA region before the Arab revolts. The second part of the paper will concentrate on how and by what means the EU can stimulate the rule of law and democracy in the MENA region. Particular attention will be given to implementation of EU policies to achieve these two objectives. The last part of the paper will discuss what the EU can do to foster inclusive and sustainable economic growth in the region.

³ European Commission, 'Support for partnership, reforms and inclusive growth (SPRING) programme' <http://ec.europa.eu/europeaid/documents/aap/2011/af_aap-spe_2011_enpi-s.pdf> (accessed 20 December 2011) p. 4.

1. A European awakening

Following the tremendous social uprisings against the authoritarian regimes in the Arab world, European policy makers have promised to reform the policies towards the region. Responding to the Arab Revolt, Commission's President Barroso and High Representative Ashton openly declared that the EU should not be a passive spectator but should wholeheartedly support the wish of the people in the Mediterranean to enjoy the same freedoms as in Europe.⁴ This statement of the EU sounds familiar. Already the Euro-Mediterranean Partnership (EMP) of 1995, also known as the Barcelona Process, prioritised the citizens' agenda by jointly stating that the EU Member States and the Southern Mediterranean countries aspired to develop the rule of law and democracy.⁵ Moreover, the European Neighbourhood Programme (ENP) – established in 2004 – offers EU's southern neighbours a privileged relationship which is built upon a mutual commitment to common values such as democracy, human rights and the rule of law.⁶

These ambitions notwithstanding, the EU found it difficult to live up to the expectations raised by these objectives. After a decade the EU itself had to conclude that the Barcelona Process was a failure, partly due to the lack of commitment of the leaders of the South, who complained about EU's conditionality and a lack of ownership in the process. Therefore, the EU decided in 2008 to replace the EMP by the Union for the Mediterranean (UfM). The UfM was meant to supplement the bilateral Action Plans which were conducted within the broader framework of the ENP. With the start of the UfM the emphasis of EU's activities in the region moved from the rule of law and democracy towards projects of a politically less sensitive nature such as combating the pollution of the Mediterranean sea, the establishment of maritime and land highways, promoting the use of sustainable energy and establishing a Euro-Mediterranean University and a Mediterranean Business Development Initiative.⁷

Due to this shift in emphasis, it turns out that in the end the EU also tended to safeguard stability.⁸ This implicitly means cooperating with the authoritarian regimes instead of listening to the increasing calls of the Arab people for political reform and human rights. Yet since the protest slogan 'bread and dignity' echoed through the streets of many Arab countries, the EU has resumed its promise to support the Arab people in its demands for political and economic rights. Based on the initiative for the '*Partnership for Democracy and Shared Prosperity*' and the ENP review '*A new response to a changing Neighbourhood*', the EU in late September 2011 launched a new package of support, supplementing the already existing programmes of the neighbourhood policy. The support package aims to stimulate democracy, growth, job creation, micro-finance, and higher education in the MENA region.⁹ These objectives will be tailored to the specific needs of each country while applying a 'more

4 Joint Communication, 'Partnership for democracy and shared prosperity', p. 2.

5 Álvaro de Vasconcelos, 'The Arab democratic wave: how the EU can seize the moment', *Institute for Security Studies* (March 2011), p. 5. Barcelona Declaration adopted at the Euro-Mediterranean Conference, 27/28 November 1995, <http://trade.ec.europa.eu/doclib/docs/2005/july/tradoc_124236.pdf> (accessed 5 October 2011).

6 European Commission, 'What is the European Neighbourhood Policy?' <http://ec.europa.eu/world/enp/policy_en.htm> (accessed 20 January 2012).

7 European External Action Service, 'Euro-Mediterranean Partnership' <http://www.eeas.europa.eu/euromed/index_en.htm> (accessed 5 October 2011).

⁸ Even though programmes on human rights and good governance remained part of the ENP.

for more' approach, which means the EU guarantees greater support for countries that move further and faster with political and economic reforms.¹⁰

In applying this approach, one should take into account that the MENA region is no homogenous bloc but a region of great diversity. Therefore the countries in this region will benefit in principal by more differentiated EU policies which respond to the different aspirations, needs and capacities. Moreover, the enhanced conditionality of EU's policies should lead to a greater commitment of the countries in the MENA region to the values of human dignity, fundamental rights, democracy and the rule of law.¹¹ Although this approach sounds reasonable, it could be questioned to what extent the EU turns away from reform opportunities by paying less attention to those states where a democratic breakthrough has not yet occurred. Furthermore, on the basis of the experiences with the Eastern Partnership the effectiveness of positive conditionality can be disputed, since it has proved to be insufficient to halt political regression in Ukraine, Armenia, Georgia or Azerbaijan.¹² Moreover, the perspective on EU membership – which was a strong incentive for the transition in Eastern Europe – is lacking in the MENA region.

In order to increase the learning curve, the EU has to take into account its experiences with the MENA region and earlier pro-democracy policies such as in Southern Europe and more recently in Central and Eastern Europe. While acknowledging that the transitions in the MENA countries are principally internal processes, the EU can offer expertise of governments, European Institutions, local and regional authorities, political parties, foundations, trade unions and civil society organizations.¹³ Hence, a real European awakening means that the EU avoids mistakes made in the past with its Mediterranean Neighbours and that the Union also learns from its earlier pro-democracy policies in other regions. Which EU policies have been successful in the MENA region and which mistakes should not be repeated? While keeping in mind the lessons learned in a proper regional context, the EU's new initiatives in the MENA region could be debated. Therefore the following questions will be discussed during the first session of the seminar.

Questions

1. *Where did former pro-democracy policies of the EU in the MENA region – established by the Barcelona Process – go wrong? And which lessons could we learn from this?*
2. *Which EU policies and initiatives towards the MENA region have been successful and should be continued?*
3. *What are the most important lessons learned regarding EU policies to promote democracy and stimulate economic development in other regions – e.g. the Eastern Neighbourhood?*
4. *In which cases has conditionality played a positive or negative role in former EU policies?*

9 European Commission, 'EU response to the Arab Spring: new package of support for North Africa and Middle East', 27 September 2011 <<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1083&format=HTML&aged=0&language=EN &guiLanguage=en>> (accessed 5 October 2011).

¹⁰ European Commission, 'EU response to the Arab Spring: new package of support for North Africa and Middle East', 27 September 2011.

¹¹ Monika Arcipowska and Beata Wojna, 'European Neighbourhood Policy: How to Reconcile EU's Offer with Neighbour's experiences?', *The Polish Institute of International Affairs* (November 2011), p. 2.

¹² Richard Youngs, 'What not to do in the Middle East and North Africa', *Fride Policy Brief* (March 2011), p. 2-3.

¹³ Joint Communication, 'Partnership for democracy and shared prosperity', p. 2.

2. Towards democracy and the rule of law

To consolidate the results of the Arab revolts, the EU is committed, both in the short and the long term, to support the countries in the MENA region in building ‘deep democracy’. According to the European External Action Service, this does not only include writing democratic constitutions and conducting free and fair elections but also creating and sustaining an independent judiciary, a thriving free press, a dynamic civil society and all other characteristics of a mature functioning democracy.¹⁴ Which characteristics this should be in the countries of the MENA region has been left open for debate. The EU recognizes that democracy has no template, but rather constitutes a set of values, institutions and procedures which combine differently for each country.¹⁵ It may be expected that the development of democracy and the rule of law in the Arab world will take a different path than was the case in Europe. European democracy is not always seen as a political model in the MENA region. It is therefore likely that democracy in the region will produce some results with which Europeans are not comfortable.¹⁶ For example, popularly elected legislature may have a different view on the relationship between religion and state, on women’s rights under family law and on blasphemy.

Hence, the EU faces a new challenge of supporting democratic reform in a region which does not always want to associate itself with the West. Due to the changing world order, Europe is no longer accepted as a global arbiter of universal values.¹⁷ This has potentially an impact on the use of conditionality – which is an essential part of EU’s neighbourhood policy. If the Gulf states, the African Development Bank or China offer finance without strings, the effectiveness of EU’s conditionality will decline. Consequently the EU has to develop a strategy which takes this global power shift into account and respects the local ownership of the process. Nevertheless, EU’s policies towards democracy and the rule of law will be based on a ‘*more for more*’ principle. This means that increased support – in terms of financial assistance, enhanced mobility and access to the EU Single Market – should be given to those partner countries which are most advanced in the consolidation of reforms.¹⁸ Not only the effectiveness but also the implementation of this principle could be questioned. How, by what means and on the basis of which criteria can the political and economic progress made in the countries of the MENA region be measured? Should a country meet certain standards of ‘deep democracy’ before receiving additional support from the EU? And who will be affected by the ‘less for less’ approach in case a government does not stimulate reforms or does not meet certain standards? Consequently the implementation of conditionality in the MENA region will be a great challenge.

Furthermore, the EU recognizes that the *civil society in all its components* – for example, NGO’s, universities, trade unions, think tanks and media – is an important actor in developing

¹⁴ European External Action Service, ‘The EU’s response to the Arab Spring’, 16 December 2011 <<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/11/918&format=HTML&aged=0&language=EN&uiLanguage=en>> (accessed 20 December 2011).

¹⁵ Roel von Meijenfeldt, ‘A European Foundation for democracy: what is needed’, *FRIDE policy brief*, September 2011 <<http://www.fride.org/publication/941/a-european-foundation-for-democracy:-what-is-needed>> (accessed 20 December 2011).

¹⁶ Susi Dennison and Anthony Dworkin, ‘Europe and the Arab revolutions: A new vision for democracy and human rights’, European Council on Foreign Relations (November 2011), p. 1-3.

¹⁷ There is a discussion about the question to what extent the EU is able to act as a global arbiter of universal values.

¹⁸ European External Action Service, ‘The EU’s response to the Arab Spring’, 16 December 2011.

democracy and the rule of law in the MENA region. Despite the progress made in Tunisia, Egypt, Morocco and Jordan, the NGO's and opposition parties are still constrained and their activists still have to fear harassment by the police and security forces.¹⁹ To support the civil society sector in the region, the EU has expanded the activities of the Civil Society Facility, which should strengthen the capacity of civil society to promote reform and increase public accountability, to the MENA region. Moreover, the EU is creating the European Endowment for Democracy, which should be a flexible and non-bureaucratic funding tool envisaged to reach goals that are not achievable under the existing EU democratization instruments.²⁰ In this respect, the question arises whether more instruments are needed. Why could the already existing European Instrument for Democracy and Human Rights (EIDHR) or the Non-State Actors and Local Authorities (NSA-LA) Programme not be altered or used more effectively? Moreover, it is questionable how and by what means the increasing number of EU instruments can guarantee coherence, complementarity and coordination throughout the full range of actions in support of democracy and the rule of law in the region.

Consequently the substance as well as the implementation of EU's policies towards democracy and the rule of law raise several questions. Therefore, the following questions will be discussed during the second session of the seminar.

Questions

1. *What should be the EU's priorities and concrete actions - in the short and the long term - in Egypt, Tunisia, Morocco and Jordan in order to stimulate democracy and the rule of law while taking into account the particular context of each country?*
2. *How and by what means could the EU implement the 'more for more and less for less' approach?*
3. *Can the existing EU instruments to support democracy and the rule of law be altered or used more effectively? If not, which lessons can the European Endowment for Democracy draw from the former instruments to stimulate democracy and the rule of law?*
4. *How and by what means can the increasing number of instruments guarantee coherence, complementarity and coordination throughout the full range of actions in support of democracy and the rule of law?*

¹⁹ Advisory Council on International Affairs, 'Reforms in the Arab region. Prospects for democracy and the rule of law?', May 2011 <[http://www.aiv-advies.nl/ContentSuite/upload/aiv/doc/webversie_AIV_75_eng\(1\).pdf](http://www.aiv-advies.nl/ContentSuite/upload/aiv/doc/webversie_AIV_75_eng(1).pdf)> (accessed 20 December 2011) p. 18.

²⁰ European External Action Service, 'The EU's response to the Arab Spring' 16 December 2011.

3. Towards economic development and shared prosperity

Support for democracy and the rule of law in the MENA region might quickly dissipate if it is not associated with better economic prospects for the mass of Arab populations.²¹ In other words, the successes of political and economic reform in the MENA region are to a large extent intertwined. The impact of the political reforms on the economic situation in Egypt, Tunisia, Jordan and Morocco has not been very promising thus far. Due to the lack of stability in the region economic growth, foreign investment and tourism have plummeted while unemployment is likely to rise. In the long term, however, foreign investors may see a strong potential in the MENA region if political changes persist, leading to less corruption and more transparency, stronger institutions and greater confidence in the rule of law.²² Therefore a broad and long term perspective is necessary in discussing the way the EU could support the economic challenges the countries in the MENA region are facing.

These challenges towards inclusive and sustainable economic growth and development in the MENA region are extremely diverse. Many of the economies are characterised by an unequal distribution of wealth, insufficient social and economic reform, a low level of regional trade integration, limited job creation and weak education and training systems which do not produce skills needed on the labour market.²³ The latter problem especially affects young people due to the demographic situation in the region. In the next decade, 65 per cent of the population will be 24 years old or younger. This rapidly growing labour force leads to high rates of unemployment and underemployment among young people. By the time a 13-year-old today turns 23, about 100 million jobs are needed to accommodate these rising numbers, i.e. creating 6,5 million jobs per year.²⁴ Nevertheless, the expectations of the people in the Arab world are dangerously high. For example, 80 per cent of Egyptians expects that their personal financial situation will improve over the next year while only 13 percent expects it to deteriorate.²⁵ The question subsequently is, whether there is a risk of radicalization – in particular of the younger generation – in case the transition process fails and the high economic expectations are not met.

In order to support the transition process in the MENA region, the EU is dedicated to support the region towards economic development and shared prosperity. Based on the principles of differentiation and conditionality, the EU will first of all focus on job creation by supporting the small and medium size enterprises (SME's) in the region. These SME's target the business segment which is too small for banks, but too large for micro finance. Furthermore, the EU will pay attention to measures which can enhance regional economic integration among the countries in the MENA region. In particular the EU will support the Agadir Agreement, a free trade agreement between Egypt, Jordan, Morocco and Tunisia. These four countries combined

²¹ Dennison and Dworkin, 'Europe and the Arab revolutions: A new vision for democracy and human rights', p. 2.

²² Ibid., p. 33.

²³ Joint Communication, 'Partnership for Democracy and Shared Prosperity', p. 7.

²⁴ Unicef, 'The state of the world's children 2011' <http://www.unicef.org/publications/files/SOWC_2011_Main_Report_EN_02242011.pdf> (accessed 8 January 2011) p. 58.

²⁵ International Republican Institute, 'Egyptian Public Opinion Survey', April 2011 <http://www.iri.org/sites/default/files/2011%20June%205%20Survey%20of%20Egyptian%20Public%20Opinion,%20April%2014-27,%202011_0.pdf> (accessed 8 January 2011).

have a market of more than 120 million people with a combined domestic product of nearly 200 billion Euros.²⁶

Moreover, the EU argues that Egypt, Jordan, Morocco and Tunisia should further integrate into its own single market. In case these four countries *engage sufficiently* in a process of democratic and economic reform, the EU wants to improve the conditions for market access by establishing deep and comprehensive free trade areas (DCFTA's). Nevertheless, EU Member States may not be ready to offer the kind of concessions on trade and visa liberalisation in which the countries of the southern Mediterranean are interested. It will, furthermore, be a challenge to implement the conditional approach towards the DCFTA's. How and by what means can the economic progress made in the countries of the MENA region be measured? Should a country meet certain standards of economic reform before receiving a DCFTA? And to what extent does this conditional approach lead to the segregation of countries with insufficient economic and political reforms, which makes them fall behind even more?

The following questions will be discussed during the third session of the seminar.

Questions

1. *What should the EU's priorities and concrete actions be in the short and long term in Egypt, Tunisia, Morocco and Jordan in order to foster inclusive and sustainable economic growth and development, while taking into account the particular context of each country?*
2. *Which concrete initiatives could the EU take - in the short to medium term - to foster the development of SME's and stimulate job creation for the youth in the MENA region?*
3. *How and by what means can the EU implement the conditional approach towards economic reforms in countries in the MENA region?*
4. *To what extent are DCFTA's a realistic option in the short term? And to what extent are EU Member States willing to open their markets for products from the MENA region?*
5. *In what way can the EU stimulate regional economic integration among countries in the MENA region?*

²⁶ The Arab Mediterranean Free Trade Agreement, 'Agadir Agreement' <<http://www.agadiragreement.org/AgadirAgreement/Aboutus1.aspx>> (accessed 8 January 2011).

Concluding remarks

The EU policy perspective seminar '**The Arab Revolts: A European Awakening?**' is part of a series of three seminars which follow a uniform format. The purpose of these seminars is, among others, by bringing together people from different professions, activities and nationalities, to cross the boundaries of knowledge on certain policy issues. By discussing the questions raised in this overview paper, the seminar aspires to provide policy recommendations on how and by what means the EU can make a difference in the MENA region, taking the most recent policies and instruments as points of departure. By bringing together policymakers, experts and academics from European and Arab countries, it hopes to identify the EU's policy priorities for the coming years. The focus will be on democratisation, the rule of law and economic development. Without losing sight of the regional context, the seminar will concentrate on the situation in Egypt, Tunisia, Morocco and Jordan.