

EUROPEAN UNIVERSITY INSTITUTE  
ROBERT SCHUMAN CENTRE



## **Inauguration of the Mediterranean Programme**

Badia Fiesolana  
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Welcome Address by Dr **PATRICK MASTERSON**  
Principal of the European University Institute

Speech by Rt. Hon. **LAMBERTO DINI**  
Minister of Foreign Affairs

Lecture by Prof. **GHASSAN SALAMÉ**  
Professor at the Institut d'études politiques (Paris), on  
*Europe and the Mediterranean:*  
*The Future of the Barcelona Process*

**Welcome Address**  
By  
**Dr. Patrick Masterson**  
President of the European University Institute

Your Excellencies, Colleagues, Ladies and Gentlemen,

I wish to welcome you all very warmly to the EUI this afternoon on this historic occasion of the inauguration of the first Chair in our new Mediterranean Programme.

Besides having the largest European multi-cultural doctorate programme in the Social Sciences the EUI is also, through the work of its professors in the four academic departments and two research centres, a major centre for advanced studies and research in the social sciences.

It is within this rich and vibrant scholarly context that the new Mediterranean Programme is to be situated - specifically within our Robert Schuman Centre. It is a programme which I have espoused for some time and I am delighted to participate in its inauguration.

Historically the Middle East, North Africa and Europe have mutually benefited from their rich cultural and socio-economic interaction - however pre-reflectively, each of us are who we are in large measure as a result of this fruitful historical interaction.

It is very important that this heritage be renewed, enhanced, and re-imagined today. The Mediterranean Programme of the EUI is intended to contribute to this end.

The multi-cultural European character of the Institute is well adapted to this task and its location here in Italy makes it a very appropriate undertaking for the Institute.

The Programme will address the need for closer understanding between both shores of the Mediterranean and the need for closer understanding between the whole Mediterranean area and the rest of Europe.

In the light of recent historical events the preoccupation of the European Union with developments in Central and Eastern Europe is understandable and admirable. But it needs to be balanced by a greater comprehension and involvement in the equally challenging issues of the Mediterranean region.

One cannot avoid the impression that the level of comprehension and even of interest in these issues is far too low and I hope the work of the Mediterranean Programme will help to change this and promote a greater understanding on the part of all concerned of the enormous importance of the issues affecting the Mediterranean region and its relationship with the whole of Europe.

I sometimes wonder, for example, if the course of events might not have been different if closer relations had been cultivated between independent Algeria and the European Community especially when one recalls its pre-independence status in the EEC.

The research perspective of the Mediterranean Programme is the flow of persons, goods and ideas between Northern (Europe) and the Southern Mediterranean as well as among the Southern Mediterranean countries. It is an intellectually challenging and culturally important enterprise. It aims to function as an interface between the North and South of the Mediterranean, between European countries which often have conflicting views of the Mediterranean and among the countries of the Southern Mediterranean itself. It aims to have an impact upon the academic community and on the institutional and non-institutional audiences in these areas. Research will be conducted on many issues such as tourism, fiscal systems and migration. The work will be carried forward through doctorate and postdoctorate research, through conferences, publications and summer schools.

It has been made possible through enlightened generous sponsorship by a number of major corporate Sponsors who appreciate the importance of the undertaking and are prepared to fund it with no conditions except that it be developed according to the highest academic standards. I thank them for their support and trust.

In particular I would like to thank Dr Moscato, President of E.N.I., Dr Imperatori, President of Mediocredito Centrale, and Dr Carmi, President of the Foundation of the Cassa di Risparmio di Firenze.

They were instrumental in convincing their companies and banks of the importance of this investment in research and their personal commitment to the programme is evidenced by their presence here today.

I also wish to thank the Mayor and Municipality of Florence for their generous sponsorship of two postdoctorate fellowships in the Programme and the Italian Ministry of Foreign Affairs, which will be represented here this evening by Minister Dini, for their provision of scholarships for the Programme.

We are fortunate indeed in having such a renowned scholar as Professor Ghassan Salamé to deliver the lecture which inaugurates our programme.

Professor Salamé is professor of international relations at the Institut d'études politiques and Director of Studies at the Centre national de la recherche scientifique in Paris. Born in Lebanon he has had a most distinguished career with higher degrees of political science, humanities and law.

He has lectured in universities around the world and published widely, both distinguished monographs and in leading scholarly journals. He has been a tower of strength in preparing our Mediterranean programme. It gives me very great pleasure to invite Professor Salamé to deliver our Mediterranean Programme's inaugural lecture entitled *Europe and the Mediterranean: The Future of the Barcelona Process*.

**Lecture**  
by  
**Professor Ghassan Salamé**  
Institut d'études politiques de Paris

Your Excellencies,  
Ladies and Gentlemen.

The Barcelona process, launched in November 1995, has been an ambitious and innovative initiative. Based on tremendous results achieved on the European continent, thanks to the Helsinki process and, later, to the deep, multifaceted, West-European involvement in the transition of Central and Eastern European countries to pluralistic democracy and market economy, the Barcelona process was primarily meant to extend that helpful, accompanying, hand in the direction of the Mediterranean. This essentially European endeavour, although genuine and generous, was meant to provide answers to basically European worries, such as the need to counterbalance the EU enlargement towards Scandinavia and Central Europe through an opening to the *Mare Nostrum*, a historically relevant part of their geo-strategic perspective for countries, such as Italy, France, Spain and Greece; to alleviate genuine fears in Europe of a number of recent phenomena, such as the development of illegal migration into the EU or the overflow of widespread forms of violence in the Middle East and North Africa into the European countries; to re-structure national economies on the Southern shore, so that these economies become more receptive to flows of investments and commodities from the North and, therefore, to partly fill the gap in terms of development and growth between the two sides of our common sea.

Hence an ambitious fifteen-year program that includes economic, financial, technical, security, political and cultural measures meant to encourage the transition to a new framework to be established around the year 2010, a vast zone of free-trade that would encompass the whole Mediterranean and solidly and institutionally link its two shores. Although exclusively European in its inception, the process has been formally adopted by twelve countries on the Eastern and Southern shores; none of these countries invited to join has rejected the invitation, whereas other countries, not invited to Barcelona and the subsequent meetings in Valletta or Palermo, have expressed the wish to join the movement, while far-away powers, such as the U.S. or Japan, have expressed interest in being invited as observers. In parallel with similar trends towards regionalisation of security or regional economic frameworks, such as the CIS,

Mercosur or Nafta, students of international politics, took note of the Barcelona process as a promising, innovative and stimulating example.

Under such favourable auspices, the process should have started with no real hindrances. Unfortunately, the developments in the past three years did not really lead up to these legitimate expectations and no one can state nowadays that the process is in its best shape possible. The next Ministerial meeting, due in Stuttgart next April, might alleviate some fears and offer remedies to a long list of shortcomings. A recent meeting of some sixty Parliamentarians from all the 27 countries involved called for a full-fledged summit in order to salvage the process and many in Brussels, as well as in many capitals involved, now express doubts concerning the process' future. Why have only five out of twelve countries signed with the EU partnership agreements? And why only one, Tunisia, has gone through the long ratification process? Why has the enthusiasm of the beginnings somehow faltered? What can be done to re-structure the concept and re-launch it? Instead of bothering you with a long list of technicalities related to implementation, - something for which decision-makers are possibly better equipped than outside observers - I would like to share with you a few ideas on the concept itself, on the very ideational foundations of the Barcelona process.

### **Inclusions and exclusions**

Let me start with the organisation and first with membership. There is indeed a clear imbalance at the root of the concept. This is due to the inclusion on the one side of all of the 15 EU members, even when they are not riparian states, such as Great Britain, Germany or Denmark, while the membership of non-EU countries has been extremely selective. The Balkan countries, even when they are riparian of the Mediterranean, have not been invited although Turkey, Malta and Cyprus have. Jordan, physically a non-Mediterranean country, is a member, but not adjoining Iraq, Iran and the whole Arabian Peninsula. The Maghreb countries are members, but not Mauritania, even though it defines itself as a Maghreb country and is a part of the *Union du Maghreb Arabe* (UMA). The most unsettling exclusion is however that of Libya, due to the sanctions imposed on that country. Libya wants and should join the process as soon as possible: its exclusion, even if provisional, is totally unrealistic. Libya enjoys a long, beautiful, Mediterranean coast, is a member of UMA, has been a member of the "five plus five" group, and is somehow more integrated into the European economy than some of her neighbours. It is the third oil exporter to Europe, it hosts some 25 European oil and public works companies and invests in European banking and real-estate and has the advantage of being the very only southern country that plays a magnet for South-South migration instead of being

a migrants exporting country towards Europe. So, membership does not fit right now a purely geographic definition of the Mediterranean, but does not fit a macro-political or a macro-economic definition either. Gradual opening-up would therefore be, in my opinion, beneficial.

The second form of imbalance is to be found in the level of integration on the two sides of the Mediterranean. European countries operate as a group through the EU, while countries from Eastern and Southern Mediterranean come to the process, despite a few rare occurrences of inter-Arab coordination efforts, one by one, either to negotiate, sign or ratify the economic partnership agreements or to discuss security matters with the West European Union. This is a case of what we call "bi-multilateralism": unified on one side, individualised on the other. This procedure was there before Barcelona and Barcelona did not produce a new, more balanced, formula. A clear effort could therefore be made by the EU to convince their partners that they, as well as Europe, do have a genuine interest in a higher level of South-South integration, notably on economic issues, that Europeans are not adapt anymore to the "divide and rule" precept, nor that they are very happy to see their partners come to Brussels one by one like young women going to a beauty contest. European business looking for optimisation of its market as much as local public opinion (for cultural, political and economic reasons) seem to converge around the wish for downscaling of barriers and downplaying of borders in South-South relations. Local governments, on the other hand, keep, however, other views and look more often than not, obsessed with archaic ideas on state sovereignty and access to the outside world.

Organizational imbalances are also perceptible in the kind of issues negotiated within the Barcelona process as compared to Mediterranean issues settled by Europeans outside this framework. Let us face it. The 15 EU members deal almost daily with Mediterranean issues within NATO, within the West European Union or within the EU itself in the absence of their Mediterranean partners, although these countries also have their own regional organizations, such as the Arab League of States or the *Union du Maghreb Arabe*. But contrary to much better-established European and Atlantic organisations these southern regional organisations are largely irrelevant in daily politics.

There is finally a temptation to separate the process into two different areas: the Levant on the one hand, the Maghreb on the other. A previous initiative to deal specifically with West Mediterranean issues, that was called the "five plus five" grouping, of which Italy was a member, did not last for long, because of Egypt's insistence on joining and because also of the ostracism against Libya. There are indeed differences between the Levant and the Maghreb in terms of progress in state-building, in terms of involvement in the

Arab-Israeli conflict as well as in terms of the overall size of trade and demographic flows with Europe. Levantine countries are somehow more immersed in politics, less enthusiastic for structural adjustments of their economies and much less involved in the migration flows into Europe. Some accommodation of these genuine differences between the Levant and the Maghreb has to be elaborated, so that a middle ground can be found, where the development and institutionalisation of Euro-Maghreb relations is not delayed just because of the Levant's conflicts and complexities, while on the other hand the cultural continuum stretching from Morocco to the Gulf is not artificially broken and Europe accused of seeking to break it.

## Issues

The questions I have just reviewed basically relate to the process' general architecture. Let me now address its very substance, first on the economic level. I do believe that the free-trade area should remain our target, although we should accept to see it as a more distant one than previously thought. A number of issues need however to be tackled during the process, the magnitude of which is probably larger than we originally imagined in 1995, when the process was launched. Some 3.5 billion Euros have been allocated for four years to encourage economic transition in these twelve countries.

One can first question the modest amount allocated to such an ambitious endeavour, especially when compared to the amount, possibly 200 times larger, that has been disbursed by Western Europe in Central and Eastern Europe (including East Germany). But this is probably not the heart of the matter. The crux of the matter is to be looked for in a cluster of economic issues. The first one has to do with industrial products. Industrial products from most Mediterranean countries already enjoy almost free access to the European market. Barcelona adds almost nothing to that reality. It only increases the vulnerability of local industry on the other side to free flow of goods from Europe. Hence, one can feel second thoughts on the Barcelona free-trade project among local industrialists, even within countries with a lot of enthusiasm for the process, such as Tunisia or Morocco who clearly fear to be out of business once their limited resources will have to compete with a completely different economy of scale.

Another issue relates to the exclusion of energy from the whole package. It is true that oil is definitely a globalised commodity and the oil market is certainly a global one. Still, that exclusion of energy from the Barcelona discussions seems to me absolutely unrealistic. First, because oil is the main export in value from the South; second, because natural gas, due to technical and financial reasons, is and will remain a basically regional product and not a



global one; and third, because when it comes to energy, the hot issue is now and will probably remain that of up-stream investments in exploration and production, where European companies can play a huge role in developing local capabilities, because they have, compared to local national companies, the technology as well as the resources for that.

On the other hand, agricultural products and services are also outside the Barcelona process. This is also somehow unrealistic in view of the vital nature of trade in food-products between the two sides of the Mediterranean. In fact, right now, the Arab world food imports amount to more than 30 billion dollars every year. As for the services, one cannot ignore the fact that developing countries are now exporting for some 200 billion dollars a year in services to the developed world. And this issue cannot be ignored either, especially since competition among white-collar workers is now being globalised much more rapidly than the competition among the blue-collar ones. The exclusion of the services' sector from the Barcelona discussions is also somehow unrealistic.

A more sensitive issue is related to fiscal policies. If a free-trade area is to be established, tariffs and dues on imports will be seriously diminished, especially in the Maghreb, where trade with the European Union accounts for 55% in Morocco to some 70% in Tunisia of all foreign trade. This means that these countries should expect the disappearance of some 60-70% of their imports taxation revenues, equivalent to 10-20% of their budget revenues according to 1998 figures. This should be of course alleviated with higher income revenues and VAT, but the shift into these much more modern sources of public finance revenues is unsettling to governments, not so much because they oppose their introduction in principle, but because they have come to realise that such a shift in fiscal policies is basically political, enticing a completely different social contract between State and Society, for which most of these governments do not seem to be generally ready.

Finally, the contradiction between on the one hand, calls for a free flow of capital and goods and very strict limitations on flows of people is far from being resolved in Barcelona. The basic European assumption remains valid: economic development and widespread prosperity, which means lower levels of income distribution disparities in the other side of the Mediterranean, is the best remedy to unwanted immigration. But the concept is somehow too absolute and too much long-term oriented to be used in present and short-term circumstances. I do believe that a higher level of sophistication is badly needed when it comes to entry visa policies into the European Union countries. Entrepreneurs, industrialists, political refugees, and students should not be treated like any other visa seeker.

Also on substance, security issues need to be reconceptualised. The Euro-Mediterranean process has been somehow victim, in its very conceptualisation, of the Helsinki process' success. In the Helsinki process, what we had was basically two blocks of countries opposed by ideological and strategic issues. And you needed to build confidence between these two blocks, as the precondition for further cooperation between them. So, the vital importance played by confidence-building measures, the famous CBMs, on both sides of the Helsinki divide. The almost natural, spontaneous, attitude among Europeans was to transpose this Helsinki paradigm into the Mediterranean, and let's face it, it doesn't work. Why doesn't it work? Because basically across the Mediterranean you do not have two opposing blocks. The major threat to security in the Mediterranean is not one block facing the other or threatening the other, or deploying a nuclear arsenal like we had on the two sides of the Berlin wall.

The very basic threat in the Mediterranean is the result of a number of unresolved conflicts on one side of the Mediterranean, that is the Eastern and Southern region of the Mediterranean, and these unresolved conflicts do need to be resolved with or without European intervention, but they are not South versus North conflicts, the way we had in East versus West conflicts. Hence, the Helsinki paradigm is not operational and we do not really need confidence-building measures across the Mediterranean. What we need are processes of conflict resolution and the list is very long: the Arab-Israeli conflict comes to mind, of course; the Greek-Turkish, now the Turkish-Cypriot, the Western Sahara, the tension between Egypt and Sudan, and other conflicts. The defining issue is therefore not the opposition of two blocks; the Mediterranean is not a wall between two worlds in conflict. The defining issue is Europe's ability and willingness to be an active and efficient party in these conflicts' resolution or, on the contrary, to choose to protect itself, to isolate itself from the overflow of violence related to these conflicts. That is the basic issue and it's extremely different from what the situation had been in Europe before 1990. Therefore, we are not here in a process where partnership in the Barcelona process means something like a step towards the long, full, integration process of Southern shore countries into the European Union or into NATO like what is now happening in Europe.

Is the Mediterranean Security Charter an answer? My feeling is that conditions do not seem ripe for such a general, ambitious security framework more than it was a few years ago for the Italian-Spanish proposal for an OSCM similar to the OSCE. Nor do I think that the conditions are really right for the adoption by the 27 countries of the famous Charter for Peace and Security in the Mediterranean, that was launched in Barcelona and then somehow delayed at the Valletta meeting. I therefore think that the 1.2 billion Euros allocated for four years to the Security Chapter in the Barcelona process should be primarily used,

not so much in security cooperation, which is now quite unrealistic among governments, but to efforts by the Europeans in conflict resolution efforts in the South and the list of these conflicts is very longer by the day. Some have re-appeared, like between Turkey and Syria recently, or between Cyprus and Turkey, as well as to the gradual cultural and possibly political emancipation of some unsettled non-state actors, such as the Palestinians and possibly the Kurds. Insecurity is indeed much more related to these South-South conflicts overflowing into Europe, than to a threat that could emanate from the Southern countries' regular forces.

Finally, on substance, we come to politics. The political issues have been somehow accepted into the Barcelona process, but also excluded from it. And you can see countries on both sides of the Mediterranean, who are sometimes extremely enthusiastic to make the political factors be determining for the Barcelona process and, on the contrary, insisting, that political issues should be put aside in order to go further into the Barcelona economic program. There's a lot of ambivalence and contradiction here, and this contradiction sometimes comes from the European and more often it comes from the other side. There should be an end to this seesaw flirtation between the process and politics somehow to these ambivalences. The Barcelona process has been successful in bringing into it countries who are otherwise in conflict. Syria and Lebanon, for example, do not go to the economic summits related to the Arab-Israeli peace process in the Middle-East, called generally "MENA", because they refuse any kind of normalisation of their relations with Israel as long as the territorial dispute is not settled first. But they came to Barcelona, precisely because they thought that the economic and financial benefits prevailed over their reluctance to participate in a process of which, of course, Israel is also a part. It would however be a disaster if the Euro-Med process became hostage to the seesaw in the Arab-Israeli process, just another forum to express recriminations among the parties involved in the conflict or of Europeans to snatch a photo opportunity with Arafat and on one side and some Israeli official on the other. This has been the case in Valetta to a large extent to the Euro-Med original role's detriment.

The second issue is mainly cultural. It is related to the European views of Islam and to Islamic views of Europe. My feeling is that in no way should the Barcelona process start with the re-affirmation of democracy as the target for the process and re-affirmation of democratization as a necessity, something you'll find in the opening declaration of the Barcelona process and then end up with a situation, where the process is mainly used to legitimise largely authoritarian regimes mainly seeking European cooperation in the repression of local oppositions. In particular, European countries have no interest in being viewed by the local public opinion as accomplices of governments in their struggle against their Islamist challengers. In the economic domain, Europe's interest lies

in encouraging more autonomy and more freedom for local entrepreneurs, not in comforting governments' autonomy vis-à-vis their own societies. In the political sphere, it is none of the Europeans' business to define which is a legitimate opposition and which is not, or to condone exclusion by Southern governments of large sectors of their populations from genuine political participation.

Europeans have also to avoid the damage inflicted by very debatable concepts, such as "the clash of civilisation", that is reportedly arising between Islam and Christendom. Such a concept, believe you me, is music to fanatics' ears on both sides of the Mediterranean. Unfortunately, some leaders in Europe and, explicitly, the former Secretary General of NATO who inflicted that damage, during a short tenure he had, when he openly played to this tune embarrassing both the Europeans and their Muslim partners by talking about Islam as such the new threat against Europe. Many arguments used by Europeans to reject Turkey's application to full European membership (such as those used by Europe's Christian Democrat parties in their Brussels declaration of Spring 1997) have inflicted similar damage. Nobody can build a genuine partnership while constructing the other, with shaky arguments, into an adversary. Europe, if it really pursues a relationship that goes further than being a trade partner, has to free itself from the obsessive search of new enemies, from a fortress mentality as well as from Crusade nostalgia.

I said at the beginning of my lecture that twelve countries have accepted the European Union invitation and have joined the Barcelona process, while others have expressed their wish to be invited as full members to this process. This positive omen needs however to be somehow corrected. Although happy to join, no country - not a single one - from the Eastern and Southern Mediterranean has ever come up with a counter-proposal to the Barcelona concept in order to improve it, to amend it, to correct it, or even to replace it. This lack of initiative on the Eastern and Southern side of the Mediterranean could optimistically be taken for a widespread adherence to the concept and to the program. It could also be viewed as a lack of genuine, active, creative involvement in what has originally been a purely European initiative. I hope the first, more optimistic, explanation is the correct one. I fear that the second, more sceptical, conclusion is the most likely.

Thank you.

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