

**The EU and Democracy Promotion in the Mediterranean:
A New or Disingenuous Strategy?
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As in other regions, prior to the 1990s European concern with democracy and human rights in the southern Mediterranean was subordinated to the strategic logic of the Cold War. While a commitment to the promotion of democracy was enshrined within new EU policy initiatives towards the ACP states, Central and Eastern Europe and Latin America during the late 1980s and early 1990s, it remained absent from the EU's Renovated Mediterranean Policy adopted in December 1990. This invited suggestions that the Mediterranean was perceived to be subject to unique considerations which militated against a prioritization of democracy promotion. Post-Gulf War tensions and the rise of political Islam, most dramatically demonstrated by the FIS victory in the subsequently revoked 1991 elections in Algeria, could, for some, be cited as justification for such exceptionalism. While the European Parliament's withholding of assent for new aid packages to Morocco and Syria in 1992 was widely seen as an important departure, this coercive action was strongly opposed by European governments and was explicitly directed at specific human rights issues rather than broader democratic shortfalls. Against this background, it appeared highly significant that, from 1995, Mediterranean policy was brought into line with other areas of the EU's external relations. Those states negotiating new Association Agreements – initially, Morocco and Tunisia – were obliged to sign up to a clause stipulating a commitment to democratic reform. The democracy promotion aim was then regionalized through the new Euro-Mediterranean Partnership (EMP), formally established in Barcelona in November 1995, within whose inaugurating declaration the twelve Mediterranean partners were required to sign up to principles of political pluralism. This commitment was still apparently subject to limitations: the EMP's political volet was vague and tentative alongside the extensive and detailed timetables for economic liberalization; the substance of the democratic principles to be encouraged was not specified beyond a list of fundamental freedoms; and, sitting uneasily with the common commitment to political liberalization, the principles of non-intervention were affirmed, according each partner the right 'to choose and freely develop its own political, socio-cultural, economic and judicial system'. Notwithstanding this, the extension of the democracy promotion agenda to the Mediterranean basin appeared to represent a historic change in the EU's declared objectives in the region.

The inception of this new approach to the Mediterranean invited a number of considerations, which form the subject of this paper. What strategy did the EU adopt to implement the democracy promotion agenda after the Barcelona summit? Did the nature of that strategy suggest that the commitment to encourage political reform was genuine or infer that it reflected a reluctant incorporation of a discourse guiding EU policy towards other areas but whose substantive materialization in the Mediterranean was to be decidedly circumspect? Did European policy succeed in linking together the various different strands of its Mediterranean policy in way that enhanced rather than

diminished the prospects for democratization? How effective was internal EU coordination been in the Mediterranean, a region towards which member states have traditionally held strongly contrasting perspectives? In exploring these issues, the paper highlights the significance of the EU's declared holistic approach to democracy promotion in the Mediterranean, but concludes that European policy failed fully to adhere to the logic of its own philosophy - this judgement being held to provide a necessary addition to the standard critique focused on berating the EU for its asymmetric commercial policies and/or failure to develop a more principled high-level diplomacy.

The Rationale: Mediterranean Democracy and European Interests

The tardy incorporation of the democracy promotion agenda into the EU's Mediterranean policy suggested that the influence of 'standardization' was considerable. The central concern of EU policy-makers during the early 1990s had been to reform instruments and procedures so as to standardize - and, thus, it was hoped, depoliticize - provisions relating to democracy and human rights across different regions. In this sense, the EU appeared to be almost reluctantly obliged by the logic of its own stated approach to extend to North Africa and the Middle East an objective adopted in less sensitive circumstances elsewhere in the world. However, the architects of Mediterranean policy during the latter half of the 1990s insisted that the new commitment to democracy promotion also reflected a genuine reassessment of European interests. Political liberalization was, they maintained, now seen as the best means of engendering both stability and moderation in the Mediterranean, and of helping to generate the economic growth that would eventually ease migratory pressures. The Barcelona Process was predicated on the expectation that economic liberalization, political reform, cultural understanding and strategic stability would be mutually reinforcing. Political liberalization, combined with deeper economic interaction and social cooperation would enhance well-being, stability and Europe's own security. Contrary to the presumptions most commonly attributed to Western governments, it was argued that, in the post-Cold War era, repressive government in the Mediterranean was doing little to advance or safeguard West European interests. A 'comprehensive' approach towards security would henceforth be pursued, consistent with and informed by new theorizing advocating a more proactive shaping of political structures judged most conducive to peaceable international relations. This appeared to position the EU firmly within the 'contingent' perspective on political Islam: if the latter had come to advance anti-democratic and anti-Western views this was less an inherent and unchangeable trait of Islamic tenets than a reflection of the deteriorating economic conditions suffered by Mediterranean populations under years of pro-Western autocratic government. European policy would seek to address the social and economic roots of radical Islam, such that political liberalization would be less likely to produce anti-Western orientations and over time provide the means of more effectively securing a Euro-Mediterranean area of shared prosperity and stability.

Despite declaring this new approach, however, policy-makers acknowledged that in practice EU strategy also remained subject to more traditional caveats. European governments cautioned that their key concern would be to ensure that political change did not engender instability in the short term. No EU member state maintained that the democracy promotion agenda should, in the case of the Mediterranean, contain

any aspiration to undermine incumbent regimes. While pluralism was seen as a means of reducing migratory pressure over the longer-term, European governments continued to be concerned - without apparent clear supporting evidence, critics suggested - that in the shorter term, and especially to the extent that this benefited Islamists, it would actually encourage greater migration. It was feared that on-going arms control negotiations could also be complicated by precipitate regime change. Most significantly, of course, several of the region's governments were crucial to the Middle East peace process. In countries such as Egypt and Jordan, the curtailment of political space had contained opposition to the peace process. In this sense, despite the insistence that the success of the EMP could help lay the foundations for a peace settlement, in practice EU policy-makers were resigned to the EMP's subjugation to the peace process. A more active democracy promotion strategy would need to await a successful conclusion to the peace process, rather than - as the 'democratic peace' hypothesis might proffer - itself being seen as a means of instilling moderation and making Arab-Israeli reconciliation more likely. While the EU had advanced a general approach to conflict resolution that explicitly and apparently unreservedly conceived of democracy as conducive to reconciliation, in the Mediterranean such logic collided with the more immediate imperatives of keeping the various tracks of the peace process alive. In the Palestinian Territories themselves, the EU's clear priority was to shore-up Arafat's position against those forces opposed to the peace process, this encouraging tolerance of the PLO leader's centralization of power and his creation of a highly-repressive police force beyond any notable democratic control.

Consequently, the EU expressly committed itself to playing 'the long game' in the Mediterranean. It was this that accounted for the stated aim of constructing a deeply embedded sense of partnership with the Mediterranean partners, informed by the notion of on-going 'contractuality'. The aim would be to press discreetly for the development of the precursors to democratization, such that political change would be facilitated over the longer-term within a context more conducive to tempering the negative effects - for Europe as well as for North African states themselves - of transition. To this end, the foci of strategy would be: to carve out a modest widening of the space available for civil society; to generate democratic 'awareness' or 'capacity'; and to facilitate the move away from 'rentier' economic activity towards the type of dispersed and varied commercial structure widely seen as going hand in hand with the diffusion of political authority. Alongside this, there would be engagement directed purposively towards affecting a convergence of Islamist opinion around basic democratic norms. Most notably, this policy mix was portrayed as a means of correcting a passivity towards Algeria's worsening conflict, as even here - the case most frequently cited in demonstration of the EU's prioritization of immediate security issues over democratization - European governments professed a stronger desire to encourage democratic reform. While apparently tolerant of the serious imperfections in the post-1995 political reform process initiated by President Zeroual, the EU sought to construct a more meaningful low-level social and economic engagement with Algeria, through which influence could be brought to bear and, at the same time, the prospects for a stable democratic transition enhanced. In sum, European governments sought an improvement in basic economic and political rights rather than making relations in any substantive sense conditional upon the adoption of a set of 'Western' liberal democratic structures. Significantly, many North African and Middle Eastern experts had come to advocate just such an approach, which was

seen as an appropriate middle way between absolute relativism and heavy-handed imposition of Western political forms.

In the EU's case, this approach was not only seen as conceptually justified, but was also the result of internal 'bargains' between member states. While broadly shared by all member states, the caution characterizing EU policy was adhered to in particular at the behest of southern EU member states. The latter, confronted more directly with the challenges arising from potentially destabilizing change in North Africa, remained wedded to more traditional views on security than their north European counterparts. Indeed, at Barcelona southern EU states reportedly expressed a willingness to exclude references to democracy and agreed to insist on such a commitment only after northern states sanctioned new aid funding for the region. This well-documented north-south split was more marked in the Mediterranean region than most other regions and, significantly, was seen by policy-makers as not having narrowed by the end of the 1990s. The nature of democracy promotion strategy consequently flowed from on-going mutual compromise between member states. Northern EU states judged the EMP to have tied southern EU states into at least some critical focus on democracy, while southern states welcomed it as a means of constraining northern states', as they perceived it, idealistic fervour. The deepening of internal European integration did to some extent 'Europeanize' southern member states' concerns: the Schengen Agreement and, later, the Amsterdam treaty commitment to move towards a common immigration policy meant that Mediterranean immigration was increasingly seen as an issue of potential concern to all EU states. However, northern EU states still argued that there was more scope to push harder for political change without endangering stability in the short term. The Mediterranean Forum, in which five southern EU states participated with five southern Mediterranean states, and from which any critical pressure in relation to democracy was conspicuously absent, was seen by some states as undermining the EMP. The north-south division was paralleled by differences between the regional Mediterranean and CFSP policy-making communities within the EU, the former urging flexibility, the latter concerned more with the overall consistency of European strategy.

The EU's Mediterranean policy was, in a comparative context, notable for the extent to which it was driven more strongly by strategic than by commercial considerations. For the first time in a decade, investors did insist that the nature of internal governance structures was of greater concern to them than basic security considerations. A commonly advanced presumption has been that multinationals have been increasingly exercised by rising levels of corruption and the absence of transparency in commercial proceedings, but not by the lack of formal, political democracy. In the Mediterranean, investors' main focus was indeed on relatively narrowly defined good governance issues. Pressure from the private sector, in particular through UNICE, was influential in encouraging policy-makers to look beyond the traditional range of trade liberalization measures and incorporate into the EMP aims relating to the transparency of customs procedures, the functioning of dispute settlement mechanisms, public procurement liberalization, more open certification procedures and the establishment of a rules-based process of standards harmonization. The overwhelming majority of investors cited such shortcomings in good governance as one of the primary obstacles to further commercial engagement. Significantly, however, policy on these issues was conditioned by the input of the European private sector to a far lesser extent in the Mediterranean than in areas such

as East Asia and Latin America: while the limited presence of European companies outside the energy sector arguably indicated a greater degree of untapped potential than in other emerging markets, in practice business pressure for upgraded policy initiatives in the Mediterranean was conspicuous by its relative absence. Nonetheless, it was a significant development that a more acute concern with good governance issues could clearly be detected on the part of European companies interested in the Mediterranean and this undoubtedly informed EU policy-making.

Beyond the issues of corruption and transparency, there was no direct private sector pressure for more active diplomacy aimed at political liberalization. Indeed, some companies expressed concern that the politicization of human rights and democracy could impede concrete progress on the good governance matters of most immediate relevance to investors. However, the view that the nature of broader political structures was of little import to investors fails fully to capture the extent to which European companies' perspectives on the Mediterranean basin did evolve. Standard claims that narrow improvements in good governance sufficed to awaken the interest of many investors were guilty of looking primarily at the extractive companies already present in the region, and with contracts often directly sponsored by incumbent regimes, rather than the views of the far larger number of companies choosing *not to invest in the Mediterranean. Most investors consciously moved towards a broader and longer-term perspective, within which they recognized good governance to be a political, and not entirely technical, issue. They listed a range of preoccupations that touched upon the political sphere. There was concern that technical capacity to take forward market reforms had not been generated throughout economic and political systems because governments had kept implementation responsibilities within a very small circle of reformers. The frequent non-implementation of pro-market ministerial decrees was seen as related to the fact that governments had little incentive to build-up broad-based alliances behind reform efforts. Governments' reluctance to allow for the freer provision of information was undermining the quality of the kind of market and statistical information necessary for investment plans. Overvalued exchange rates were judged to flow from governments' protection of favoured importers. There were general concerns over arbitrary decision-making and the fact that the 'cult of the strong leader' had fomented rather than tempered radicalism. The absence of moderating political dynamics was also seen as having contributed to the lack of cooperation between the different Mediterranean economies, which investors insisted was the region's main disadvantage relative to other developing areas.*

All this appeared to fit closely with the view of Western governments – and, increasingly, even of the World Bank - that robust democratic processes could play an important role in underpinning investor-related good governance reforms. However, the notable fact was that companies did not associate the failings with which they were increasingly concerned with the region's lack of democracy. While attesting to the kind of political concerns seen by most analysts as intrinsically related to an absence of democracy, European investors did not themselves see their resolution as entailing or rendering desirable democratization. Some companies did express outright skepticism towards democratization, fearing this would, in the particular circumstances of the Mediterranean, be profoundly destabilizing. Some claimed to be positively keen on political liberalization as the best means of securing faster and more sustainable growth rates. Most companies, however, were deeply ambivalent. As one commercial officer noted, there was genuine 'confusion' among European companies over the sort of political evolution consistent with their own regulatory and good governance priorities. Companies were, for instance, far less ambiguous than officials in enumerating concerns over Islamists being given greater political space, but also recognized that the region's increasingly irreversible integration into the

European economic space had in practice reduced the likelihood of such groups adopting protectionist policies. In overall terms, there was no strong private sector pressure for democratization, but nor did investors seek actively to dissuade EU governments from their democracy promotion agenda.

Democracy Promotion Strategy

The nature of these aims was reflected in an approach to democracy promotion that focused primarily on the need to establish a 'discourse' on democracy. European policy-makers claimed to see the Barcelona Process as most notable for introducing the discourse of democracy to EU-Mediterranean relations, for the first time explicitly identifying political pluralism as a norm that should govern relations between Western Europe and the Arab world. The EMP framework would ensure the embedding, or institutionalization, of a dialogue predicated on a shared espousal of democratic norms. The key to fostering 'socialization' around democratic norms was to maximize the regime-like features of the EMP, 'nesting' the aim of promoting democratic reform within a comprehensive range of institutionalized co-operation. It was this 'holistic' approach that was promoted as the main change to European approach. The EU offered to the Mediterranean partners most of the same forums of cooperation, at a similar level of commitment, that were being developed with the Central and Eastern European applicants. Indeed, policy-makers expressly sought the form, without the fact, of accession for the Mediterranean states. The aim was to build-up an internal momentum or dynamic to the EMP and to avoid prioritizing particular concrete results over the retention of an on-going process of cooperation. Democratic norms could only effectively be disseminated through an institutionalized process within which mutual trust had accumulated and genuine 'consent' in the normative value of political pluralism could be generated. In this sense, European policy corresponded closely to constructivists' arguments that the agency of values-based discourse was increasingly eclipsing that of purely material instruments.

In tune with this focus on socialization dynamics, substantive punitive conditionality was not imposed in relation to actual democratic shortfalls. There was no consideration of suspending MEDA funds on political grounds, this contrasting with the EU's willingness to withhold parcels of aid where economic reforms failed to materialize. Libya was ostracized due to events related to the Lockerbie bombing, not its lack of democracy: after a deal was reached on the Hague trial, sanctions were removed and Libya invited to sign up to the EMP without any concrete conditionality being applied to internal political conditions. Even the EU's rhetoric was cautious: the scarcity of CFSP statements with any degree of critical edge pertaining to political developments in the Mediterranean was conspicuous alongside the ubiquity of such criticism towards Lomé and Eastern European states. Fraudulent elections failed to elicit the kind of expression of concern with which the EU frequently met similar irregularities in other regions, and the incremental tightening of political space in countries such as Egypt and Tunisia met with no substantive response. Algeria remained the most sensitive case for European governments, but was in fact the one country with which the EU completely broke off Association Agreement negotiations (in 1997). While this was presented as a means of pressing the Algerian government to construct more robust institutions capable of implementing commitments entered

into under such an agreement, no direct democratic conditionality was imposed and talks renewed in 1999 with conditions seemingly more stable but with political pluralism little advanced. The new sovereigns in Morocco and Jordan were given almost unconditional support, with European governments judging it inappropriate to seek to press the monarchs to extend what in the early part of their respective reigns remained extremely tightly controlled processes of reform. Suggestions that the Common Strategy for the Mediterranean adopted in the autumn of 2000 might intimate a more coercive approach - this being possible 'at 15' in a way that was not possible 'at 27' within the EMP - was supported by only a minority of member states and not adopted. Far firmer pressure was exerted in relation to individual human rights cases than democracy: the EU did oblige Mediterranean states to justify and address individual cases of abuses, with some success in Morocco, Tunisia and Algeria. The willingness to develop a 'tougher' approach to human rights served to further highlight the absence of a similar approach towards democracy promotion. It was significant that the NGO community engaged in Mediterranean issues focused almost entirely on human rights, and far from pressing European governments to impose coercive instruments in relation to democracy themselves expressed unease over any linkage of human rights to a 'Western liberal democracy' template.

There was a degree of more 'positive' or 'rewards based' conditionality, but this was linked to progress on democratization only to a relatively limited extent. Some political criteria were apparent, with Morocco and Jordan becoming high per capita ODA recipients, while Syria continued to attract extremely limited flows of development aid. However, European aid to the region, for well-established strategic reasons, remained skewed disproportionately towards Egypt. The extent to which MEDA funds were conditional upon economic, not political reform, was demonstrated by Tunisia's success in securing a disproportionately high share of this aid package. Several states increased aid to Morocco after 1999 and the country established itself as the third highest recipient of Commission aid anywhere in the world, but these efforts fell short of a comprehensive, common European package targeted specifically at assisting democratic change. In practice, a rather confused picture emerged, indicative of the split in aid competences between member states and the Commission. At the bilateral level only France advanced significant amounts of aid to North Africa. Other states' negligible ODA donations were justified mainly by the region's medium-level development indicators, but were also seen as not entirely unconnected to the paucity of democracy. However, the rises in Commission managed aid to the Mediterranean caused overall EU aid increases to the region over the latter half of the 1990s to exceed those to Latin America, Asia and the ACP states, meaning that, in fact, the EMP represented the EU's most significant deviation from rewards-based conditionality. Certainly, the Mediterranean states that had implemented the most far-reaching political liberalization increasingly expressed their frustration that they had not been rewarded for doing so.

Thus, the emphasis on the dynamics of socialization was of far greater significance than concrete, purposive policy measures, predicated on the use of democratic conditionality, the development of which remained conspicuously limited. Some would doubtless see the EU's approach as a legitimate, appropriately 'consensual' strategy, while critics of the 'constructivist turn' in international relations might contend that it reflected pure unwillingness to adopt any 'real' democracy promotion policies. It would seem unduly glib to dismiss the discursive approach as pure

disingenuous façade, in so far as its foundations were themselves predicated upon a degree of more traditional materially based pressure. The EU's insistence that Mediterranean partners agree to democracy forming a legitimate part of the EMP was firm, as was its imposition of the new democracy clause. European governments also insisted on Mediterranean governments accepting a provision allowing the EU to fund democracy projects without recipient governments' consent. This degree of coercion - what might be termed *a priori* 'value' conditionality - helped establish the base from which the dynamics of socialization might function. By the end of 2000, Egypt, Algeria, Syria and Lebanon had still not signed their Association Agreements with the EU, continuing to resist the EU's standard human rights and democracy clause. This indicated that the declared approach to democracy promotion was not completely lacking in some degree of force and substantive content. Mediterranean governments certainly felt that a degree of pressure to modify their discourse had derived from the formal codification of the commitment to democracy within the EMP.

However, the EU's strategy could more convincingly and justifiably be criticized *on its own terms*, to the extent that the logic of the 'socialization dynamic' was in practice not fully followed through. Having expressly promoted the Barcelona Process as a means of ensuring mutually-reinforcing progress in different areas of policy, the EU's leverage over democratic change was significantly diminished by its own reluctance to cede to Mediterranean states' demands on other issues – trade, migrants' rights, a reduction of EU pressure for southern states to readmit migrants, cooperation on terrorism, the presence in European countries of exiles accused of violent acts. Whatever the validity of these concerns, the EU's refusal to cede on them undoubtedly undermined its negotiating power on democracy. Most damagingly, the EU's insistence on a rather artificial separation between the peace process and the EMP was interpreted by the latter's Arab members as the most glaring demonstration that a 'comprehensive' partnership was, in practice, not sought by European governments. In this sense, the EU's refusal to use the economic provisions of the EMP to pressure Israel into concessions related to the peace process reduced its negotiating leverage over internal political developments in Arab countries. All this undermined, in the eyes of Mediterranean states, the spirit of trust and mutual compromise upon which the EMP was supposedly predicated, and was the direct cause of a number of civil society initiatives being blocked. It cooled the enthusiasm even of those Mediterranean NGOs most critical of their own governments and whose engagement EU policy-makers saw as crucial to the human rights and democracy agenda. While there was regular talk of moving to a sub-regional structure to help rectify the 'infection' of the peace process, this was supported neither by many EU member states nor by the Mediterranean partners, and hence a major determinant of democracy promotion policy towards North Africa was the extent to which this had been unwittingly linked to the deterioration of the Arab-Israeli conflict.

In addition, the pursuit of comprehensive dialogue and societal engagement was in practice relatively limited. In response to opposition from the Mediterranean partners, and to the increasing chagrin of European companies, EU policy-makers acknowledged that they had not insisted on any significant dialogue even on fairly technical good governance reforms, expressly limiting themselves to taking up particular corruption-related grievances suffered by individual companies. The Civil Forum, central to the civil society volet of the EMP, was kept marginal to decision-making structures. The various programmes of decentralized cooperation, aimed at facilitating direct civil society-civil society links, failed to get off the ground. Several initiatives seen as being key to giving effect to the socialization approach - an Arab version of Euronews, a Euro-Islam Dialogue Forum – were either abandoned or diluted in response to Arab objections. EU governments in practice eschewed any direct support for initiatives that might be seen as aimed at 'norm dissemination'. EU projects aimed at fostering inter-religious dialogue shied way from any notable

inclusion of Islamist opposition forces, and were in fact gradually scaled down at the end of the decade. The much-hoped for and widely advocated engagement with Islamists on common minimum standards of political pluralism conspicuously failed to emerge, with national governments preferring to pursue such an approach discreetly through bilateral channels and expressly without EU coordination. There was no systematic attempt to distinguish between moderate and less-moderate Islamist groups, and no sustained effort to engage with those whose commitment to democratic rules remained ambiguous. The EU was keen for local NGOs to undertake this task, but did not press them in any significant way to do so and declined to prioritize this as an area of funding. Islamist groups themselves were not attracted to more systematic dialogue, the EMP having failed to convince them that European governments were intent on a genuinely more conciliatory approach. Given that it was precisely in this domain where value-based socialization was integral to the essence of the EU's Mediterranean policy, this shortcoming appeared to represent a serious lacuna.

Hence, if the holistic framework was in line with the kind of approach experts' had long been advocating, its practical realization was far from comprehensive. Substantive linkages were compounded by the standard problems resulting from the EU's institutional fragmentation. In some senses, it would be easy to over-state this ubiquitously cited criticism of European policy-making. Expressly so as to facilitate the holistic approach, institutional coherence was improved through member states' appointing EMP coordinators to link together the partnership's different volets. However, problems did remain. While improving institutional coherence became a stated priority for the EU, inter-issue linkages were still hindered more than they were facilitated by policy-making structures. Indeed, within the Commission decisions relating to democracy promotion strategy were taken out of the department dealing with Mediterranean policy, actually aggravating the 'disconnect' between regional and global considerations. In sum, notwithstanding the supposedly comprehensive and holistic approach, in reality the new democracy promotion agenda was deliberated on as a 'bolt-on' to existing policy, rather than the overall objective to which the whole range of instruments and commitments was to be harnessed. Assessment was made of how much scope for democracy promotion was left as a residual from other priorities, with the intricate causal connections between democracy strategy and other areas of policy not being addressed to any significant degree within day-to-day policy decisions.

Trade Liberalization and Political Reform: A Misconceived Link?

At the heart of the EU's gradualist approach was the overwhelmingly pre-eminent emphasis on economic reform. With the prospective free trade area constituting by far the most significant substantive element of the EMP, there was clearly considerable hope and expectation invested in a spill-over from market reforms to political liberalization. The region's resistance to the third wave of democratization was seen as integrally related to its limited insertion into the world economy. It was, indeed, the introduction of economic reforms in the mid- to late 1980s that had initially encouraged North African elites to seek to 'distribute blame' for structural adjustment by dispersing a degree of political power. Helping to ensure that political reform was

in fact followed through required a more concerted move way from the rentier state that had obviated the need for significant amounts of taxation and thus representation. The pursuit of free trade and structural reform within the institutionalized partnership of the EMP would facilitate both a more far-reaching process of economic liberalization and a more controlled process of change than that driven by the multilateral financial organizations.

Both prior to the Barcelona conference and during the early years of the EMP's existence, it was the perception of the EU's heavy-handed imposition of unduly harsh economic liberalization on the Mediterranean partners that attracted most criticism from commentators. Even if most acknowledged the potentially positive impact of the region's deeper economic integration with Western Europe, the EU was almost universally berated for its insistence on a process of trade liberalization strongly skewed to its own advantage. The friction that emerged in relation to the EU's lack of generosity in opening up its agricultural and textile markets is well documented. The magnitude of the MEDA fund, aimed specifically at assisting structural reform, was seen by most as negligible relative to the scale of transformation contemplated. Moreover, the EMP contained no initiative on debt relief, this most important of issues for the Mediterranean partners falling outside EU competences. The nature of the economic commitments was held to impact prejudicially upon the democracy promotion agenda in two ways. First, economic instability and tension was held to be inimical to generating sustainable democracy. Theorists' growing concern with the 'incivility' of civil society in many parts of the world seemed particularly apposite in North Africa: if Islamist groups' anti-Western and anti-democratic discourse was indeed a product of the adverse effects of perceived Western hegemony, it was reasonable to fear that the asymmetric economic impact of the Barcelona Process might simply aggravate such radicalism. Second, in a more direct sense, the rigorous requirements of the timetable towards the FTA would encourage elites actually to gather additional power and discretion so as to be able more effectively to implement reforms. As we have seen in this volume, many analysts saw this latter concern increasingly coming to fruition as governments sought to micro-manage preparations for the Association Agreements and the FTA, co-opting selected companies in way that reinforced their own networks of patronage and quashed any spill-over to the political domain. This was particularly notable in Tunisia, Egypt and Syria, while Morocco was a partial exception.

The EU did show some signs of adapting policy in response to such concerns. European policy-makers continued to argue that in the longer-term political elites would be obliged to cede control as economic reforms progressed - and in this sense the bunkering down of a number of the region's governments had been facilitated by the limits to rather than existence of economic liberalization. They did, however, claim to be increasingly aware of the potential dangers of an unbalanced process of trade liberalization. Several Southern European member states argued that policy should move way from such unquestioning faith in an automatic and mutually-reinforcing link between a deepening of free markets and political liberalization. MEDA aid was oriented more markedly towards off setting the social costs of adjustment. Of particular note was the Commission's role as the largest contributor to Egypt's Social Development Fund: the fact that one hundred times more funding was donated to this than to democracy projects in Egypt might be taken to qualify the frequently expressed criticism that the EU appeared intent on forcibly imposing

democracy blind to the dangers of attempting this within a context of increasing social marginalization. An increased share of funding went to rural development, service provision networks and literacy projects, such basic issues recognized to be important as underpinnings of both economic and political reform. Indeed, a number of northern states expressed concern that MEDA had moved too far way from its supposed remit of private sector structural reform into a more traditional development budget. Extensions to a number of transition periods for liberalization were granted to Mediterranean partners and, as a number of the Agreements' review clauses became operational in 2000, agricultural and textile quotas were increased. While the Euro 5.3bn MEDAII aid package agreed in November 2000 represented a small decrease in real terms in relation to MEDAI, a growing concern with the social costs of adjustment did elicit flexibility from those member states (and some parts of the Commission) that had expressed a desire to shift funds more markedly away from the Mediterranean towards Balkans reconstruction and more poverty focused development work.

Notwithstanding these changes, however, concerns clearly remained. Despite stronger pressure from the Commission and some member states, there had still been no significant progress on agricultural access by the end of 2000. Apart from any direct economic impact, the EU's stance on commercial issues deprived it of precisely the kind of institutionalized engagement it itself held to be requisite to gaining purchase over political reform. The differences on agriculture ensured either that Association Agreements were not concluded or that Mediterranean partners finally accepted market access arrangements well below their original bottom line positions. The EU's lack of flexibility was another factor making both European and southern Mediterranean NGOs reluctant to engage more fully and enthusiastically with the EMP as a potential force for securing political liberalization. While criticism of the EU's lack of generosity in its readiness to open markets and increase financial transfers to the Mediterranean became a standard element of analyzes of the EMP, the shortcomings of EU strategy must be recognized as extending beyond the simple refusal to increase a number of tariff quotas or allocate more ODA. Rather, the EU's more critical deficiency was its adherence to an overly vague assumption that economic reform would eventually filter through to political change in the absence of any detailed engagement capable of analyzing or affecting such spill-over. There was little evidence of deliberation on the kind of complex issues relating to how shifting domestic coalitions and the reconstitution of patterns of control over economic resources mediate the path-dependent relationship between economic and political reform. Policy-makers with a remit over democracy promotion had little input into detailed commercial policy decisions. There was no engagement aimed at carving out alliances of support for political reform specifically on the basis of the nature of unfolding economic changes. Indeed, it seemed reasonable to suggest that much European aid was going directly to reinforcing government-controlled networks of patronage. The main vehicle for securing the link between economic and political liberalization was to be the increase in foreign investment that the comprehensive strategy of the EMP would engender. In practice, not only did European FDI remain at low levels compared to other regions (the Mediterranean partners attracting under 2 per cent of EU FDI) and the private sector unenthusiastic about engaging in EMP forums, but there was little effort to work out a strategy to encourage a type and form of economic engagement conducive to prompting political change. Most of the European investment that did flow to the Mediterranean remained limited to precisely

the kind of utilities infrastructure – energy, telecommunications – that provided state elites with direct ‘rent’. With a broader range of investment, including by smaller companies most in need of systemic level good governance reforms, having been seen as crucial to facilitating the link between economic and political liberalization, its failure to materialize clearly undermined such spill-over potential.

Democracy Assistance: A Viable Strategy in the Mediterranean?

The EMP was notable for providing the EU was a formal remit to fund democracy assistance projects in the Mediterranean, in particular through a separate Commission-managed programme, MEDA Democracy. Between 1996 and 1999, the Commission allocated 27 million ecu to democracy assistance in the Mediterranean partners. While later to start than in other regions, democracy funding in the Mediterranean came to account for a significant 14 per cent of the Commission’s overall democracy assistance budget in the second half of the 1990s. The approach pursued through the Commission’s programme was avowedly and strongly ‘bottom-up’, focusing on support for NGOs, grass roots advocacy networks, awareness-building and civic education, in particular for marginalized and vulnerable groups. In addition, increased amounts were allocated within economic reform programmes for judicial and administrative reform. Here, bilateral donors, and in particular France, advanced significant new packages to assist reform, often making important contributions to large scale World Bank initiatives. Outside Egypt, this new EU work compared favourably with that undertaken by the US. The Maghreb was one of the few areas of the world where the EU assumed clear primacy over the US in democracy assistance, USAID initiating a first democracy promotion in the region in Morocco only in 1999, with a modest \$1.3 million to be spent over two years. The development of democracy assistance work was seen as a particularly notable aspect of the EU’s relationship with Algeria: while other, more high-politics aspects of this relationship remained problematic, Algeria emerged as the third largest recipient of MEDA democracy funds.

While a significant development, the EU’s democracy assistance efforts in the Mediterranean remained relatively cautious and subject to a number of limitations. The scale of democracy assistance funding was modest. Funds allocated for democracy assistance over the latter half of the 1990s amounted to only 0.3 per cent of all aid to the region. Over two hundred times more money was given under the main MEDA budget for assisting the process of economic restructuring. Significantly more funds were allocated for traditional developmental priorities than for democracy. Democracy assistance spending in the Mediterranean remained at a lower level than in the ACP countries (taking 21 per cent of the budget) and even Latin America (accounting for 17 per cent of spending). Spending on democracy assistance represented less than 1 euro per capita in all Mediterranean partners except the West Bank and Gaza Strip, and in most countries was below 10 euro cents per person. While there was a small increase in funding after 2000, MEDA Democracy was disbanded as a separate programme and merged into horizontal democracy budgets, apparently increasing the ‘disconnect’ with Mediterranean-specific socio-economic deliberations. To even a greater extent than with overall spending, member states’ democracy assistance efforts remained limited because of governments’ preference

for this area of funding to be led by and associated with the Commission. France, as North Africa's main donor, remained one of the states least convinced of the merits of increasing political aid work. Investing resources in democracy assistance in the Mediterranean was a priority neither for north European donors increasingly focused on poverty reduction ODA or for southern EU states traditionally oriented more towards commercial co-operation.

In addition, the range of work undertaken was relatively narrow. While policy-makers presented the bottom-up approach as a positive strength of European strategy, it also reflected a reluctance to engage in more politicized top-down democracy assistance. In practice the Commission shied away from using the provision enabling it to fund projects opposed by Mediterranean governments. While 290 NGO projects were undertaken, only 16 provided funds directly for the reform of state institutions. Up to 1999, only 22 projects were classified directly as aimed at building democracy, compared with the 77 going to civil society, 38 aimed at basic human rights, 54 for vulnerable groups, 45 for education and 30 for the rule of law. The Commission was not entitled to fund political parties, and bilateral donors refrained from engaging in this type of work – with the exception of a small number of projects financed by the German party foundations. Those projects that did cover more political issues - the role of armed forces, parliaments, institutional reform, media and trades unions – did so in an indirect fashion, through NGO-organized training, education, awareness-building campaigns, seminars and conferences. EU states themselves were concerned that such events usually failed to engender concrete follow-up co-operation or make any tangible impact. Most proposals for work on strengthening trades unions was either scaled down or dropped due to difficulties in identifying and/or gaining access to genuinely independent organizations. When Nordic states and the European Parliament suggested that conditionality be stipulated in relation to the full participation in EU projects of genuinely autonomous organizations the idea was rejected by the majority of member states. This was despite an acknowledgement that Mediterranean regimes had complicated many areas of work by incorporating the externally-led values agenda through creating government-controlled human rights groups, with the aim of stemming a flow of funds to actually independent organizations.

Despite the undoubted value of the bottom-up approach for countries in which the legacy of authoritarian government rendered the constructing of basic grass-roots democratic capacity particularly urgent, the EU's political aid could more accurately be classified as aimed at specific human rights issues than a comprehensive range of democracy assistance projects. The profile of democracy assistance work in the Mediterranean was significantly narrower than in Latin America, Central and Eastern Europe and the ACP countries. The EU provided no support for the range of groups widely identified as elements of a potential Arab form of democracy - professional association, syndicates, mosques, teaching circles, neighbourhood organizations or craft groups. The proposed Confidence Building Measures, that were seen as an indirect means of instilling democratic norms into the region's armed forces and rebalancing civil-military relations, remained subject to political sensitivities. The allocation of funding was largely reactive, responding to those proposals received in an effort to encourage 'local ownership' of projects, rather than a proactive identification of the specific areas where further emphasis might be needed in each individual country. As elsewhere, no assessment of overall EU efforts in the

Mediterranean was compiled. This absence of a complete picture of how bilateral and Commission projects related to each other militated against any fine tuning of the profile of democracy assistance funds to respond to areas of either neglect or duplication.

Unsurprisingly, the obstacles to political aid work were particularly acute in the region's most closed polities. Morocco, Jordan and Lebanon were relatively high per capita recipients of MEDA Democracy funds, while Syria and Tunisia received only 1 per cent each and Egypt only 4 per cent of the total funding. This reflected government obfuscation not only of the implementation of projects but also of the submission of independent proposals to the European Commission. In precisely those states where, arguably, democracy assistance work was most urgent, the reactive approach to funding in this way militated against any significant EU engagement. The Syrian government blocked a number of apparently innocuous projects assisting grass-roots developmental organizations, fearful of incipient civil society momentum. In Egypt there were several high-profile cases of EU funding counter-productively unleashing tighter state restrictions: the head of the Egyptian Organization of Human Rights was arrested for accepting funds from the UK, another European-funded organization, the Group for Democratic Development, closed down in the face of official harassment and in 2000 the EU-funded institute of one of Egypt's most prominent academics was closed and its head imprisoned. The tensions engendered by these cases, combined with the fact that the number of independent proposals originating from Egyptian civil society actually dropped sharply after 1998, encouraged the Commission to favour an even narrower remit for funding under MEDAII, focusing more exclusively on children's and women's rights.

Perhaps as unsatisfactory to the EU, even the more reformist states remained sensitive to welcoming EU democracy assistance. In Morocco, even after the succession in 1999, projects were heavily focused on women's rights, with no more than a negligible amount of work undertaken to strengthen political society. Indeed, precisely because of Mohammed VI's apparent commitment to increasing transparency, if not to full democratization, the Commission and, even more so, the principle bilateral donors such as France and Spain became more reluctant to engage in any area of work not directly solicited by the Moroccan government. The latter enthusiastically sought cooperation on some aspects of reform, such as increasing judicial and administrative transparency, while opposing EU intervention in the reform of political society institutions. In Morocco, it was the US National Democratic Institute that was acknowledged to have taken a conspicuous lead in attempting to develop projects aimed at strengthening political parties and the parliament. With over 40 per cent of MEDA Democracy funds going to Israel and the Occupied Territories, the budget appeared in practice primarily aimed at underpinning the peace process. While undoubtedly making a major contribution to the setting up of Palestinian institutions, EU funding in the Occupied Territories was aimed mainly at building up a Palestinian police force capable of fulfilling its security commitments under the peace accords. Funds were actually shifted away from NGOs, many of which harboured misgivings over the peace accords – although this trend was reversed slightly at the end of the 1990s. In this sense, the EU appeared more interested in executive, rather than democracy, assistance. As the corruption and repression associated with Arafat's leadership deepened, so the EU's original

confidence in equating democracy assistance with peace process support looked increasingly misplaced.

Good governance assistance proved to be slightly less controversial and an area in which the preparations for the FTA did give the EU significant influence. An increasing amount of good governance work was carried out as an integral part of the economic measures funded by the main MEDA budget, including the training of civil servants, judiciaries and market regulators, the harmonization of technical standards and the transparency of procurement procedures. Even the Tunisian government was open to some cooperation in relation to designing new regulatory frameworks in preparation for the FTA. In Lebanon, the Commission worked with local authorities to revise the country's fiscal system, necessary to replace revenues which would be lost through tariff removal in liberalization with the EU, playing a direct role in putting in place more transparent structures. The Syrian government, still extremely sensitive to external pressure on good governance, blocked significant funding for such work until 2000, but did then agree to cooperate with the Commission on a project for regulatory reforms to public procurement rules and the tax system. A range of good governance questions were addressed in the various sectoral forums of the Barcelona Process, for example those covering energy and industrial co-operation developed projects related to issues of judicial security and transparency, expressly related to the needs of potential European investors in these sectors. The main focus of the Commission's work in Morocco was on strengthening administrative capacity and tax reform, areas where co-operation aimed to introduce more transparent institutional structures. While blocking a number of proposals in more controversial areas of judicial reform, Mediterranean states were generally keen to co-operate with and benefit from the technical expertise and resources of the EU in relation to good governance issues. This agenda did proceed more productively than the more overtly political democracy assistance work, and did appear to provide a more promising, indirect entry-point to encouraging institutional change in the Mediterranean. Indeed, many were concerned that funding for good governance was not being maximized because the Association Agreements remained blocked due, in part, to the EU's democracy clause. Some policy-makers expressed concern that the new separation between the MEDA fund and the Democratization Unit inside the Commission would make it more difficult to feed democracy-building initiatives into technical, regulatory reforms specific to each Mediterranean partner state.

Conclusion

The EU's tentative incorporation of the democracy promotion agenda into its Mediterranean policy was predicated on a genuine uncertainty over the nature of its own strategic and commercial interests, combined with a more positive belief in a socialization- rather than coercion-based strategy. This appeared to reinforce the standard claim that the EU's particular strength as an international actor lay in the construction of broad, partnership-based patterns of socio-economic cooperation and political dialogue. If most of those viewing the creation of the EMP from a North African background expressed concern over the prospect of an unwarranted and heavy-handed imposition of European political norms on the region, the cautious nature of European policy up to the end of 2000 appeared to have rendered such fears

misplaced. While European strategy seemed consistent with theorists' advocacy of external protagonism based on the need to generate normative 'consent' in relation to the development of democratic norms, the EU's execution of this approach undoubtedly left considerable room for improvement. While the eschewal of overtly punitive top-down democratic conditionality might widely be seen as not entirely inappropriate, it would be reasonable to suggest that a degree of micro-level pressure could have succeeded in opening up scope for a profile of political work aid less likely simply to exacerbate existing imbalances between civil and political society. Economic policy could have been far more closely harnessed to the democracy promotion agenda, as the complex nexus between these two domains received insufficient analytical attention from European policy-makers. The much heralded engagement with political Islam, the essential driving force behind the EU's whole Mediterranean policy, remained at the level of nebulous generality, the EMP's moderating influence assumed too easily to flow from its general attractiveness more than its concrete forms of purchase. It must be legitimate to suggest that these weaknesses undermined the very dynamics of socialization and inter-issue linkages upon which EU policy was predicated. Judging EU policy on its own terms, it is doubtful whether the EMP in any significant way helped establish either the cognitive or socio-economic foundations for democracy to take root. Mediterranean attitudes towards the West and Western values remained conditioned in a less-than-favourable fashion by different historical patterns of state-formation, and there was little evidence that political elites, economic actors or civil society had unequivocally come to perceive democratization as an either apposite or necessary prerequisite to achieving a more symmetrical partnership with the EU. There were good grounds for arguing that precisely this had occurred in relation to attitudes towards basic human rights, but this dynamic showed little sign of extending to the broader question of democracy. Developments in Morocco might reasonably have been interpreted as a more successful EU-assisted dissemination of democratic norms, but this case also presented the EU with a crucial challenge for the future: namely, to decide whether its agenda in the Mediterranean was, whether by choice or not, in practice to be limited to achieving a semi-democratization rather than full political pluralism.