Responding to conflict and promoting stability: European policy in the Middle East and North Africa

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Abstract

The Middle East and North Africa - Europe's 'Southern Neighbourhood' - has been going through a period of turbulent change. The Arab Spring of 2011 unleashed forces of popular protest that, where they could not be contained in constitutional paths, overturned the established order and led to sometimes violent conflict between groups competing for power. In places terrorist groups took advantage of the resulting vacuum to undermine government and impose their own brand of caliphate.

What has made the difference between those countries where the state and governments have survived, where they have been changed, and where they have collapsed? How has this impacted on the European Union, a next door neighbour? And what should the EU do to promote stability, security and good government in the region, to the benefit of the people there and in Europe itself?

The analysis focusses on the EU's strategic approach to and interests in the region, as set out in the 2016 Global Strategy, on its response to successive crises in the Maghreb, Libya, Egypt and Syria, on the instruments at its disposal to implement European policy, and the action it needs to take to help re-establish and support more stable and accountable governments.

The context of change

The Middle East and North Africa – in effect the Arabic-speaking world and sometimes known within the EU as the "Southern Neighbourhood" - saw in the 20th century a period of rapid and dramatic change, brought on by changing patterns of imperialism, a nationalist revolution, integration into the global economy, and the exploitation of oil. Wealth and population increased, great strides in development were achieved, some governments evolved to become more representative, and social change accelerated.

But over the period contradictions gave rise to an underlying instability which finally toppled over into political turbulence of the 2011 Arab Spring.

There has been a good deal of academic debate about why this happened. Some have blamed failures of Arab governance, some the Arab mentality, some blame globalisation, some (most recently Roger Hardy in *The Poisoned Well,* 2016) the legacy of colonialism. Certainly some of the roots of conflict date back centuries. But in three key areas, the failure to address these contradictions over the last 50 years has been at the heart of the region's problems.

The first failure was **economic.** With the exception of the oil-rich economies, most countries in the MENA region have struggled to build a market economy that generated fast enough economic growth to meet the aspirations of a rapidly growing population. State-led growth, often dominated by a mammoth public sector, created jobs, but not an internationally competitive private sector that generated productivity growth, economically-sustainable employment and investible profits; and where there was growth it was often at the cost of exacerbated inequality, which itself created social tension. The one great success was improved health services which led to a rapid growth in population. But few countries in the region have achieved the kind of economic transformation that has brought real progress and rapid reductions in poverty in Latin America and South-East Asia. On top of failing economic policies, climate change has worsened the prospects for agricultural production and created more competition for scarce water resources. Without sufficient wealth to meet the common aspirations of the growing number of young adults, a political rupture was almost inevitable.

The second failure was **political**. Since the region was divided into separate states by the western imperial powers, government has been based on the nation state, sometimes home-grown as in Egypt, sometimes created, as in Iraq, Syria or Libya. The legitimacy of such states depended on the government delivering sufficient services to the people they rule – security above all, but also wealth, jobs, education, health, and a

legal and political system that delivers redress for grievances. Too few governments, over time, delivered the basic needs their citizens wanted, whether through weakness, incompetence, corruption or simple stasis, and thereby increasingly lost legitimacy.

This is closely linked to the third failure, one of **ideology**. The failure of nationalism was ideological as much as political or economic. Citizens no longer trusted their government or their state, and therefore ceased to show it loyalty as the embodiment of the nation. They looked to other sources of trust, for something else to put their faith in. Many turned to political Islam as a cause that might give them the dignity and purpose that the nation state had failed to deliver. Once faith, and with it community, become a basis for politics, then differences in faith become new political fault-lines, as we see in the growing sectarian antagonism between Sunni and Shia. Of course these differences are exploited by political actors, sometimes for nationalist ends, sometimes to divide and rule or in order to change the regional balance of power. But the fact remains that for many they are a valid political distinction, creating political solidarity which is useful in the competition for power and resources. *In extremis*, the ideological reaction can take the form of militant jihadism, and the declaration of a caliphate by Da'esh, cutting across traditional national boundaries, marked a transformative challenge to the nation state in the Middle East, to which the international community as a whole responded through the US-led Global Coalition against Da'esh.

Nevertheless, the Arab Spring had a markedly different impact in different countries in different ways. Again, each country was affected by its own history, its own culture, its own relations which makes it hard to generalise. But one key variable that stands out has been the degree of accountability inherent in the political system of each country.

Accountability can take many forms, and sometimes it is important to look at the way it works more than at what it is called, or whether it meets a prescribed model. But as a rule of thumb, the more accountable a government and society, the more effectively it was able to respond to the pressures unleashed by the Arab Spring.   Again, it is no coincidence that the greatest turmoil occurred in the countries with the most autocratic

governments - in **Libya** and **Syria** – especially where government revolved primarily around a single person or family. With such a personalised system of rule, the rulers demonstrated a willingness to wreck the country rather than lose power.

At the opposite end of the spectrum, in **Tunisia** a vibrant civil society came together with political actors to manage a transition to a more democratic system which, by including Islamist as well as workers and employers' interests, offers a demonstration that Islam can be compatible with a liberal, open, democratic system. The key actors were justifiably awarded a Nobel Peace Prize for their efforts.

It may seem paradoxical that some of the countries less affected by the political turmoil were monarchies – in **Morocco, Jordan** and **the Gulf**. In several Gulf countries, political power rests clearly with a single family, which had in the past faced challenge from those seeking to overturn the monarchy. But relative social and political stability was not, as some claim, simply the result of buying loyalty, though most Gulf governments could afford to do so: in several cases it also reflects the fact that these monarchies do indeed have a popular and ideological legitimacy. The monarchs themselves may also perhaps have a keener awareness of the need to preserve that legitimacy with their own people by paying close attention to their people's views and in several cases responding to popular demands for change or representation before they became strident enough to bring the system down. While modern civil society groups may struggle to make themselves heard in the constrained political space, more traditional forms of civil society, through tribal, clan or religious groups, have access to rulers and can influence their thinking and achieve results for their people.

Egypt has been the most complex case. It experienced within the space of three years not one but two popular revolutions: one overthrowing the Mubarak regime, the second overthrowing the democratically-elected Muslim Brotherhood government of Morsi and reinstalling a government led by a former military chief, Mohamed Al-Sisi, subsequently endorsed through further elections. The radical turn of Morsi's government clearly frightened many citizens who feared continued instability and damage to their own

interests. The state has remained firmly intact (especially what some call the "deep state"), and in principle accountability is assured. But the fear of Islamists in general and the Brotherhood in particular is leading the government to adopt tough measures against parts of civil society and protest movements which are increasingly limiting the political space.

The oldest unresolved conflict in the region, between Israel and the Palestinians, appeared to remain largely unaffected by the Arab Spring. Not that the situation is stable or sustainable: the long promised implementation of the Oslo peace agreements seems no nearer and in many ways even further away, with the continued expansion of Israeli settlements in the West Bank and the divisions within the Palestinian political movement. Many argue that the status quo cannot last, and the new US Administration seems determined to find a solution. It just not clear, at the time of writing, whether that will or won't be the long-promised two state solution.

The challenges all these countries face also pose challenges for their neighbours, not least Europe. Instability has significantly reduced the flow of tourists and investment, and the slowdown of economic growth has reduced opportunities for trade. The breakdown of law and order in several countries has also allowed terrorism to flourish and, in some cases, be exported to Europe both ideologically through the internet and physically in terrorist attacks. Even greater, politically speaking, has been the impact of migration. If the countries of the MENA region cannot provide a politically or economically convincing future for their growing populations, nor ensure the effective rule of law, there is a risk that the flow of migrants and refugees, both from and through the region (many coming from as far afield as South Asia and sub-Saharan Africa), driven by necessity as well as by choice, reaches unmanageable proportions.

For all these reasons, the EU needs a dynamic and flexible policy towards the region, with clear objectives and appropriate means.

EU policies in the Southern Neighbourhood

First outlined by the European Commission in 2003, the EU's "**European Neighbourhood Policy**" (ENP) was introduced in 2004 and provided in 2008 with over €5bn in funding. It was based on the assumption that most of the EU's neighbours would benefit from closer integration with the EU, even if they did not aspire to become candidates for membership. Free trade deals, market liberalisation, government capacity-building and support for democracy were cornerstones of the ENP. It included a sophisticated set of requirements including annual reports, benchmarks and the convergence of policies. Some countries, like Israel and Morocco, moved fast down that track. But others were sceptical of its prescriptive form or were constrained by domestic political pressures, and progress was slow. Some of the economic policies proposed, while of long-term value, were considered too painful in the short-term to be imposed.

The Arab Spring blew away many of the EU's assumptions. It tried to respond swiftly in May 2011 by developing packages of support to incentivise democratic development and economic reform. But they were overwhelmed in many cases by the scale of the political tsunami.

In 2015 it was agreed to review the ENP to address some of the criticisms and make the whole approach more responsive to the views of Europe's partner countries. The **revised ENP**, adopted by the Foreign Affairs Council in November 2015 (see the Council Conclusions of 16 Nov 2016), allowed for much greater flexibility in defining a joint policy approach, to be set out in "**Partnership Priorities**" that would reflect more clearly what the EU's partners wanted from the relationship. The EU's values remain central to those mutual priorities, along with policies to promote growth and employment, support for civil society and democratic systems, and improving governance. Such Partnership Priorities have now been adopted with Jordan, Lebanon and Algeria, and a fourth set provisionally agreed with Egypt. Each is very specific to the country concerned and its immediate and medium term needs. For both Jordan and Lebanon the need to support their economies in managing the burden of around a million Syrian

refugees in each country is central to the plans, which include supporting the host communities as much as the refugees themselves.

Jordan has remained remarkably politically stable despite the Arab Spring and the massive influx of Syrian refugees. Supporting it to sustain that stability is crucial to the EU. Hence the additional trade measures and financial assistance set out in the innovative Compact that accompanies the Partnership Priorities, providing greater import preferences to the EU market in return for the new jobs created being given half to Syrian refugees and half to Jordanian workers.

Lebanon has also maintained an unexpected stability, despite nearly two years of political stalemate that prevented the appointment of a new President. This crisis was epitomised by the ever-growing mountains of rubbish in the streets as no agreement could be reached on how to dispose of it. It also reflected the country's delicate balancing act between the rival interests in the region of Saudi Arabia and Iran. Following sustained lobbying by the EU and others in the region, a new President and Prime Minister were finally appointed in late 2016. A Compact has also been agreed with the new Government to support their economic and social programme alongside help to the refugees, and there is hope that business can resume and the economy get going again.

Since the ENP was adopted, and even since the revision in 2015, events in **Europe itself** have also impacted on the EU's perception of, and priorities in, the MENA region. This too is reflected in the EU's policy towards the region.

2015 was a turning point. The massive (in European terms) influx of **Syrian refugees** through Turkey and the Balkans and the growing flow of refugees and **economic migrants** from Africa through Libya and across the central Mediterranean had a profound impact across almost the whole of Europe, extending from Greece in the south to Sweden in the north, from Hungary in the east to France and the UK in the west. Germany's admission of a million refugees in one year marked a high water mark. Nationalist governments and populist movements turned hostility to migrants into

political capital, profoundly affecting the domestic political scene in a number of countries, and increasing popular pressure to "stem the tide". In November 2015, the **Valletta Summit** of EU and African countries agreed a five-pillar approach and Action Plan to tackle the root causes as well as the symptoms of irregular migration across the Mediterranean. But the need for more rapid action drove the deal with **Turkey** in March 2016 which, with a contribution of €3bn towards the cost of hosting 2 million refugees, persuaded the Turkish Government to help reduce the flow of Syrians across the Aegean from a flood to a trickle more or less overnight. Other countries in the region sought similar support for their own refugee populations, as reflected in the Partnership Priorities and Compacts mentioned above. In February 2016 an international conference on Syrian refugees in London raised €13.2bn to support them and their host countries. This approach was endorsed by the follow-up Conference in Brussels on The Future of Syria and the Region, which also focussed attention more fully on the need to find political solutions to the underlying crises, not simply apply humanitarian sticking plasters.

At the same time **counter-terrorism** emerged as a top political priority in Europe, following the rapid spread of terrorist actions by Islamic jihadists, often home grown, but influenced by the propaganda of ISIS/Da'esh and Al-Quaida in their Middle Eastern wars. The litany of attacks since 2015, from Charlie Hebdo to Bataclan and Nice, the Brussels bombings and the recent attacks in Berlin, London and Manchester, have kept the issue of Islamic terrorism on the front pages. It has made better CT cooperation with security agencies in Muslim countries in the neighbourhood all the more urgent, the better to track potential terrorists and prevent such attacks.

Both these issues were reflected in the **EU's Global Strategy**, put forward by the High Representative in June 2016. This focussed in particular on building stability in the near neighbourhood, and on building up the EU's security capability – in cooperation not competition with NATO. In a more contested, complex and connected world, it was recognised that for the EU, soft power was no longer enough to protect its interests.

Focus for EU action

Turning this Strategy into action has been the EU's priority for the past year. The response needs to be flexible, adapted to the circumstances and the partners involved in each crisis. But, whatever the combination, that response involves five particular areas of action:

(a) Conflict reduction

Continuing conflicts in the MENA region are the biggest challenge to the EU's interests. They provide a push factor for refugees, a pull factor for terrorists, and a dampening factor for economic growth, which makes the challenge of creating employment and hope for a younger generation all the more difficult. It is therefore a top priority for the EU to mobilise all its diplomatic and economic influence to resolve them. For now, the EU remains primarily a non-military actor, though plans to develop its security instruments in cooperation with NATO and its member states may enable it over time to play a more active role in the security sphere. In Syria and Iraq, in the Global Coalition against Da'esh, in Yemen and in Libya, direct EU military intervention is not on the cards, though in Libya the EU is using it capability to mobilise CSDP missions, through Operation Sophia and an EU Border Assistance Mission, to help tackle the migrant crisis. But in all these conflicts, the EU is increasingly active diplomatically to press for solutions, in close cooperation with the UN. The collaborative approach taken by the EU and UN has become increasingly important in the past five years given our common agenda and the value of cooperation between multilateral organisations.

Many of these conflicts are being fuelled by regional rivalries – between Iran and Saudi Arabia, Russia and the US, Turkey and the Kurds. This makes the diplomacy of a deal in Syria or the Yemen increasingly difficult, but equally makes it all the more important that the EU and its member states are closely involved to work for an outcome that will protect the EU's specific interests, as identified above. In **Syria**, the EU undertook in 2016-17 a regional initiative to explore the potential for common ground between the key

regional actors on an eventual solution for the Syrian crisis, which fed in to the UN-moderated talks in Geneva. In April 2017, EU Foreign Ministers adopted a joint Strategy on Syria and hosted the Brussels conference on Syria to discuss both the humanitarian and political need for progress in resolving the conflict.   In **Iraq,** since 2016 the EU has become increasingly involved in the stabilisation work in areas liberated from Da'esh in order to help the displaced to return and prevent the problem arising again. We are also engaging with the Kurdish Regional Government and encouraging close cooperation between Erbil and Baghdad to cooperate in the fight against Da'esh and rebuild the country as a unitary state.

(b) Avoiding contagion

Preventing conflict in one country spreading to neighbouring ones is a core objective of the Global Strategy, and one already being implemented through the agreements with Turkey, Jordan and Lebanon described above. It also underpins the priority the EU is giving to support the new Government in Tunisia, to the development of a revitalised partnership with Algeria, and to re-establishing and deepening our cooperation with Morocco. With Egypt, the EU is seeking to balance the importance of working with the government on migration and CT, with our wish to see a stable domestic situation through inclusive politics and economic reforms.

(c) Stimulating economic growth

This remains a touchstone for a sustainable and peaceful future for the region and a solution to the challenge of growing migration pressures. As indicated above, the EU's considerable resources are now linked to shared Partnership Priorities which are focussed on the best ways of stimulating growth and creating jobs in an economy where corruption is contained and economic disparities reduced rather than exacerbated. The EU's own experience underpins the belief that in the medium term protection kills jobs, not creates them, and corruption reduces rather than increases economic growth As well as with the partner countries, the EU works hand-in-hand with the member states

and with the International Financial Institutions, including the regional development banks with whom we are building closer working relations. Improved financial management, inclusive growth policies and poverty reduction efforts are crucial to this work.

(d) Persevering with the Middle East Peace Process

The viability of a two-state solution is increasingly under threat, but a de facto one-state system would raise tremendous problems in all respects of citizenship, land, labour and international law. The EU has consistently supported the two state solution as one that is negotiable and consistent with international law. Any solution imposed by force risks provoking a countervailing force, and the conflict could swiftly become an unmanageable one with consequences for the whole region and beyond. The EU is therefore making every effort, through the Quartet and its bilateral contacts, to create the conditions for more fruitful political negotiations between the parties.

(e) Widening and deepening the EU's relations with Iran and the Gulf

Historically, the EU's relations with the countries on both sides of the Gulf have been insubstantial, notwithstanding the close links of its member states and the importance of the trading relationship. This situation is changing rapidly.

With Iran the relationship grew from the EU's trusted (though low visibility) role in the Iran-nuclear negotiations, leading to the Joint Comprehensive Plan of Action (JCPOA) agreed in 2015.   The personal trust built up during those negotiations between the EU side and Iran's negotiators has fed into an active and regular, though critical, dialogue between the EU and Iran on regional as well as nuclear issues. It has created circumstances where this interaction can be both positive and productive.

With the Gulf in general and Saudi Arabia in particular, the new interest in talking to the EU and not just to its constituent member states (with some of whom the Gulf monarchies have traditionally had deep and close relations) has a number of causes.

The Iran deal, the Syrian and Yemeni crises, the fall of the oil price, the desire for investment, and changing relations with the US may all have given impetus to a relationship that is beginning to extend beyond the traditional links between the EU and the GCC.   Both sides stand to benefit from a more regular dialogue and closer cooperation on regional security as well as economic cooperation.

Conclusion

It is scarcely surprising that every month one Middle East or North African issue or another, if not several together, crop up on the agenda of the EU's Foreign Affairs Council. Relations with countries in the region have gone through dramatic changes over the past five years, and the pace of change is unlikely to slow. It is essential therefore in navigating these turbulent waters that the EU has a clear strategic vision and a flexible approach to implementation that makes full use of the EU's instruments – financial, economic, diplomatic and security – and the collective weight that it and its member states can bring to bear. As set out here, both the strategy and means to implement it exist. Action is in hand, but still time will be needed to deliver the results on which we are focussed.

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