

# Europe's flawed approach to Arab democracy

*By Richard Youngs*

The European Union's efforts to promote political reform in North Africa and the Middle East are running into the ground. After the September 11<sup>th</sup> 2001 terrorist attacks in the US, Europe's leaders pledged to promote democracy in the region as a way of tackling the root causes of terrorism. They hoped that the offer of trade, aid and political co-operation, packaged under a new 'European neighbourhood policy' (ENP), would encourage reform in Middle Eastern and North African states. The inspiration for this policy was the way EU enlargement had helped bring about a transformation of Central and Eastern European countries in the 1990s. EU governments presented the ENP – which is open to some former Soviet states as well as Mediterranean countries – as a way of replicating the success of enlargement in countries where the prospect of EU membership is not on the table.

The ENP offers neighbouring countries individual action plans which hold out the prospect of greater integration into the European single market and increased financial assistance – in exchange for political, economic and legal reforms.<sup>1</sup> So far, the EU has signed action plans with Israel, Jordan, Morocco, the Palestinian Authority and Tunisia (negotiations are under way with Egypt and Lebanon). The ENP is meant to complement the longer-standing 'Barcelona process', which was established in 1995 with the goal of building up a regional Euro-Mediterranean community, through economic, political and cultural co-operation.

<sup>1</sup> For an analysis of the neighbourhood policy, see Charles Grant, 'Europe's blurred boundaries: Rethinking enlargement and neighbourhood policy', CER pamphlet, October 2006.

Both the ENP and the Barcelona process formally commit the EU to encouraging democratic reform in Arab states. But the prospects of the EU wielding its 'transformative power' in these countries look slim. With oil prices set to remain high, and elections in the Middle East favouring Hamas, Hezbollah and the Muslim Brotherhood, there are some signs that the EU's nascent philosophy of 'democracy-as-security' is already being diluted. Some critics detect a return to the continent's traditional approach to the region – supporting authoritarian governments in exchange for natural resources and stability.

Even before the recent crisis in Lebanon, the state of political reform in the Middle East was depressing. Although the idea of democracy is more openly debated in Middle Eastern countries than before, far-reaching political change has not been forthcoming. Instead, authoritarian regimes have skilfully co-opted the language of reform to consolidate their hold on power. Since Egypt's (unfree) elections in 2005, Cairo has tightened emergency law provisions, cracked down on opposition figures and detained Muslim Brotherhood sympathisers. In Morocco and Jordan cosmetic reforms led by young monarchs have gone hand-in-hand with new restrictions on the media, professional associations, civil society organisations and some political groupings. Similar crackdowns have happened in Tunisia and Syria. The summer of 2006 alone saw members of Islamist opposition groups detained in Jordan and Morocco, as well as Egypt, and a new wave of repression against lawyers in Tunisia.

While Algeria has benefited from a relatively successful peace deal – based on an amnesty offered by the government to Islamist forces in 1999 – this has not led to real political pluralism. Most observers think President Abdelaziz Bouteflika is now planning to change the constitution so that he can stand for a third term. In Lebanon, some analysts argue that Hezbollah's recent actions derive in part from the Shias' fear that they

have lost influence within Lebanon's confessional-based system of power-sharing since Syria's withdrawal in 2005.<sup>2</sup> What was prematurely labelled the 'Cedar revolution' has in fact done little to alter the country's politics of patronage-based power-sharing.

<sup>2</sup> Ali Fayyad (head of Hezbollah's main think-tank), 'Hezbollah and the Lebanese state: Reconciling a national strategy with a regional role', *Arab Reform Brief*, No. 11, August 2006.

The EU has been almost completely silent about these setbacks to Arab democracy. And the impact of its trade, aid and democratic assistance packages has been extremely limited. Although reform cannot be imposed from the outside, Europe's leaders were right to think that the EU could usefully support political liberalisation within the region, using its trade and aid as a catalyst for reform. But so far the EU has failed to fulfil its potential. In spite of devoting large sums of money to the region – the European Commission spends some €1 billion a year on the MEDA aid programme alone – its reform efforts have been hampered by four major weaknesses: a perception in the Middle East that the EU is not really committed to democracy; an unwillingness to offer major incentives to governments in return for reform; a scatter-gun approach that supports ad hoc initiatives rather than a coherent strategy for political reform; and a failure to support independent and socially-rooted reformers on the ground.

### **Lack of commitment to democracy**

Campaigners across Europe and the Middle East welcomed the EU's renewed focus on human rights immediately after the 2001 terrorist attacks. But the activists now lament the gradual fizzling out of this momentum. Since 2001, the EU has increasingly used its economic and political leverage to encourage Arab governments to co-operate with the EU on controlling illegal migration and sharing information on counter-terrorism, and less on encouraging democratic reform in those countries. EU spending priorities would seem to support this criticism. In December 2005, EU ministers agreed to make €800 million available for controlling illegal immigration from the Southern Mediterranean after a series of deaths at the Ceuta and Melilla borders. In contrast, EU governments allocated a paltry €10 million in the same year to the European Commission-managed European Initiative on Democracy and Human Rights (EIDHR) for democracy-promotion projects in the region.

The same is true of political pressure. Although European leaders have been vocal about migration, terrorism and the Palestinian question, the EU as a whole has adopted an almost trappist silence on democracy. There have been no EU *communiqués* on the slowing momentum of reform in Morocco and Jordan. Diplomatic pressure on the autocratic Tunisian regime, has – if anything – eased since 2001. Meanwhile, Colonel Q'adafi's agreement to cease weapons programmes in 2003 has bought him European silence on human rights issues in Libya. In Egypt, it is American rather than European rhetoric on democracy promotion that has spurred debate. And while the EU put strong pressure on the Syrian regime to withdraw troops from Lebanon in 2005, European governments have since distanced themselves from US arguments for democratisation in the Baathist Republic.

Europe's poor performance is partly a result of divisions between EU member-states. Differences have emerged on the rightful use of 'conditionality' (the policy of making aid dependent on reform); how to engage with Islamist opposition forces; and how to react to setbacks to democracy. France and Spain are the most ambivalent on pushing for political reform. President Chirac has uncritically supported North African leaders, while the Spanish Socialist government has pledged to "rebuild alliances" with governments in the Middle East. As a result, the countries most committed to reform – mainly from Northern Europe – have 're-nationalised' some of their democracy and human rights policies. For example, Denmark, the Netherlands, Sweden and the UK have developed some of the most notable initiatives; but they have been national rather than EU projects pursued through the ENP.

Many Arab commentators and activists have noted the EU's half-hearted commitment to democracy. Some now suspect that European rhetoric about the importance of political change has more to do with paying lip service to the US agenda of democracy promotion across the broader Middle East, than demonstrating genuine enthusiasm to support reform. As a result, this has eased pressure on Arab regimes to embrace substantive change and encouraged them to use repressive measures against their political opponents. In private EU officials increasingly acknowledge that 'we have been too timid'; but such self-criticism awaits translation into concrete policies.

### **Meagre incentives for change**

The ENP has also not lived up to its promise of offering Arab governments major incentives to reform. When European officials were planning the new policy, they argued that democratic reforms should be rewarded with clear incentives, tailor-made for each Arab state. European leaders made a commitment to review regularly the progress of national reform programmes, and reapportion benefits to those Arab governments which make the most progress on political liberalisation. They hoped that this would create competition between Arab states, thus accelerating political change – in the same way that Central and Eastern European applicants for membership of the EU had raced to complete their reform processes. However, as the ENP has moved from planning to implementation, very little of this logic has survived.

Part of the problem is that the EU has not specified which rewards will flow from which kinds of reform. The official reason for this is a desire to retain flexibility and discretion. However, in practice it reflects widespread unease about the idea of 'conditionality'. In private many diplomats, particularly in France and Spain, oppose the idea of using political reform as the main criterion for determining aid allocations.

The Commission's plan – backed in principle by EU governments – to offer a sizeable package of 'rewards' under a new ENP-linked 'governance facility' could mark an important step towards 'positive conditionality'. The governance facility would allow the Commission to allocate additional amounts of aid money in response to reforms. However, it is likely that much of this new money will be allocated to reward relatively anodyne governance reform rather than genuine democratic change (indeed, the name of this fund was changed from 'democracy facility').

Rather than offering deeper engagement as a prize for reform, the EU's approach is increasingly based around a philosophy of front-loading aid, trade and diplomatic benefits and co-operation, and then using the process of engagement to cajole reform commitments from governments. The difference between EU and US approaches was well illustrated in 2005. When the Egyptian government cracked down on opposition forces in the run-up to the parliamentary elections the US held back on its free trade talks with the Mubarak government, while the EU ploughed ahead with efforts to deepen co-operation through negotiating an action plan.

However, the biggest problem with the EU approach is that the incentives offered under the ENP are too stingy to alter the calculations of local regimes. Despite the new governance facility, overall levels of aid to the Southern Mediterranean remain low compared with, for example, sub-Saharan Africa. Indeed, most northern EU member-states want to see aid resources diverted away from middle income Southern Mediterranean countries towards the least developed countries in Africa (neglecting the fact that pockets of deep poverty exist within Arab states). On the other hand, the ENP cannot offer Arab states the two things they want most: full access to the single market and free movement of workers. Although the November 2005 Barcelona summit committed the EU to further liberalise its agricultural markets, this was hedged with numerous 'exceptions' to market opening. On migration, there is even less scope: most member-states are in favour of tightening up rather than liberalising their immigration regimes.

It is increasingly acknowledged that the Commission initially over-sold the ENP: what is on offer is much less than the 'everything but the institutions' promised in 2004. Arab states have not been given the prospect of full market integration in those sectors where they are most competitive, free movement of people into the EU, or access to European regional and cohesion funds. And since the US is offering new trade agreements to a number of Southern Mediterranean governments, the EU's long-standing comparative advantage in the region could start to diminish. With hindsight some European officials acknowledge that it might have been a mistake to base the ENP on the notion of offering a scaled-down version of enlargement. The ENP is more than a post-enlargement job-creation scheme for Commission bureaucrats, as mischievously suggested by *The Economist*.<sup>3</sup> But the ENP has encouraged false expectations in neighbouring countries. Eneko Landaburu, director general of the Commission's external relations department, admitted as much when he argued that, "continuing to view our neighbourhood from an enlargement angle is an unhelpful distraction... The real question which we should all be working on instead is how we can support transition, as a goal in its own right".<sup>4</sup>

<sup>3</sup> Charlemagne, 'A weakening magnet', *The Economist*, April 1st 2006.

<sup>4</sup> 'From neighbourhood to integration policy: Are there concrete alternatives to enlargement?', speech by Eneko Landaburu, reprinted in CEPS Policy Brief No. 95, March 2006.

Perhaps even more damaging to the ENP than all this has been Europe's response to the Hamas victory in the Palestinian elections of January 2006. The EU's attempt to persuade Hamas to renounce violence and recognise Israel's right to exist was entirely justified. But the perception in the Middle East is that the EU has been as guilty as the US in calling for democracy, but then refusing to recognise one of the region's first democratically elected governments because the result was not to its liking. Far from rewarding democracy, the EU moved quickly to suspend aid programmes, without waiting to see if such support and engagement could influence the behaviour of the new Hamas government. The EU even contradicted its own policy of pressing for a more parliamentary style of government in the Palestinian territories by switching its support to President Abbas, to circumvent the Hamas-led legislature. None of this is to suggest that Hamas represents model liberal values. But the EU's behaviour wrangles with many in the region.

### Reform without reformism

The EU has increased its support for democracy projects in the Arab world. But the EU's scattergun approach means that it supports a disjointed collection of individual projects rather than a serious strategy for boosting reform movements across the Middle East. At the insistence of many Commission officials and MEPs, the EIDHR has retained a wide geographical coverage, with very small levels of funding distributed amongst a

large number of countries (66 target states were identified for 2005-2006). As a result, there is only enough funding to prop up a few civil society organisations in each country. Egypt, Jordan, Morocco and Syria are eligible for EIDHR micro-projects, and each has been allocated between €500,000 and €1 million annually for democracy projects.

Individual member-states have not performed much better than the EU institutions. The EU governments give less democracy assistance to the Middle East than any other region in the world except Central Asia. For example, in 2003 France spent €365 million on aid to North Africa and the Middle East, but only €5 million of that money went to governance projects (equivalent to 1 per cent of France's overall budget for political reform assistance).<sup>5</sup>

<sup>5</sup> Richard Youngs, 'Survey of European democracy promotion policies 2000-2006', *Fundación para las Relaciones Internacionales y el Diálogo Exterior*, 2006.

Strict funding rules also hold back EU efforts because they give incumbent regimes a veto on grant giving. Since 2004 small amounts of money – up to €5 million per Southern Mediterranean country – have been made available for democracy and human rights projects from mainstream MEDA funds. However, unlike the money given out under the EIDHR, the distribution of these funds has to be agreed with Arab governments. As a result, much of the money has been channelled through human rights councils and commissions controlled by Arab governments, and many civil society groups receiving EU money are not independent. In Jordan, for example, much of the 'civil society' support goes to 'NGOs' headed by members of the royal family. The same is true of media support which has largely gone to journalist organisations close to incumbent regimes. The funding streams from the new ENP financing instrument (to be introduced under the EU's 2007-2013 budget) will also have to be agreed with Middle Eastern governments.

EU democracy projects tend to shy away from controversial areas, preferring to take refuge in generic priorities – such as NGOs, women's rights and human rights legislation – rather than tackling the specific challenges of political reform facing each individual Arab country. Under the Barcelona process, European and Arab governments have created a number of weak talking shops: a Euromed parliamentary forum, a Euro-Mediterranean non-governmental platform, a Euromed trade unions forum, a Euromed economic and social committee, a new Euromed Youth platform, and dozens of other cultural initiatives designed to promote a 'dialogue between civilisations'. These initiatives are well intentioned and potentially useful. But many provide PR opportunities for repressive Arab regimes while doing little to help ordinary citizens.

The main focus of EU reform funding has been on strengthening women's rights in Arab states. Undoubtedly, this is a crucial issue, but the disproportionate attention it has received has sometimes played into the hands of autocratic regimes. Human rights activists in the region complain that Arab governments have increased women's representation in parliaments as – in the words of one noted activist – a form of 'tokenism' to placate the West, while doing little at lower levels to improve women's opportunities, such as helping women set up their own businesses. They complain that EU pressure has not brought about a wholesale change in the role of women in society, but merely allowed elitist and secularist women's human rights groups to force compromise deals with the regimes, and form a united front against the Islamists. Another favourite of European donors has been support for education reforms; but usually in the form of financial backing for governments' own education policies.

Most of the EU's 'governance' projects have had a technical bent, focusing on providing equipment and professional training. EU officials privately acknowledge that these projects have had a negligible impact on democratic reform. The Syrian regime, in particular, has used co-operation on 'administrative reform' to improve the state's capacity and thus consolidate its own power over decision-making, without any concomitant increase in accountability. Many projects, echoing the experience of enlargement, tend to focus on legislative approximation, twinning, and the harmonisation of standards, rather than transforming the nature of the political systems in Arab countries. One example of the apolitical nature of most rule-of-law projects was an EU judicial reform programme in Algeria which continued even though President Bouteflika was sacking independent-minded judges.

The EU could not have averted the conflict in Lebanon that erupted in July 2006. But it certainly could have done more to underpin a broader reform of Lebanese politics, through the instruments and incentives of the Barcelona process and ENP. The Commission has funded relatively large programmes to help Lebanon prepare for its ENP action plan, with a focus on governance standards and administrative capacity. But these have failed to impact on the country's underlying political dynamics. With the exception of France, EU governments were reluctant to offer significant funds to Lebanon after the departure of Syrian troops. As a result, the Commission brought forward a relatively small €10 million reform package. But the EU did not push for reforms to the security forces or electoral laws. Nor did the EU assist cross-community civil society groups which might have encouraged Lebanon's confessional

<sup>6</sup> Julia Choucair, *Lebanon: Finding a path from deadlock to democracy*, Carnegie Endowment for International Peace, Working paper, No. 64, January 2006.

system to become more balanced and benign – even if a free and majoritarian democratic system is not a realistic proposition for the foreseeable future.<sup>6</sup> The 2006 conflict was partly caused by the pathologies of internal Lebanese politics. The Commission's lack of ambition, therefore, was a missed opportunity to help strengthen Lebanon's central state institutions and modestly recalibrate its confessional politics.

Finally, perhaps the most powerful sign of the EU's reluctance to get involved in politically sensitive areas is the way that money ear-marked for democracy-promotion has been diverted to other ends. For example, the 2002-2004 MEDA aid programme included a range of programmes on migrants, drugs and counter-terrorism. The Commission has presented these projects as 'supporting democracy', without showing how this is so. For example, the largest single EU-funded police project has taken place in Algeria, aiming primarily to strengthen Algerian border patrols – suggesting that the EU cares more about immigration than genuine security sector reform.

### Failing to reach the reformers

European leaders like to repeat the mantra that 'democracy cannot be imposed'. However, that is not the issue in most Arab countries. Rather, the core problem is that local pro-reform voices are being undermined by a lack of support from outside powers. In many Arab states, the judiciary, civil society, media and new reformist 'movements' have spoken out against political repression with little support from the EU. One example of this is the absence of European backing for recent alliance-building activity between different sectors of the Syrian opposition.

In fact, EU member-states have often colluded with Arab governments in sidelining independent forces in Arab societies. For example, EU governments accepted language in the final declaration of the tenth anniversary summit of the Barcelona process in November 2005 that limits the EU's freedom to engage with NGOs not favoured by Arab regimes. European leaders are proud of the new Anna Lindh Euro-Mediterranean Foundation – an institute set up in Alexandria to promote and fund cultural co-operation – but this works mainly with civil society organisations chosen by Arab governments.

Most European governments and EU institutions have been strongly critical of the US-led Broader Middle East and North Africa (BMENA) initiative, arguing that it is heavy-handed and insensitive to local participation. But while the tenor of US policies can merit strong criticism, the EU's self-satisfaction does not look entirely justified. One big initiative launched under BMENA's auspices was the 'Foundation on the future', designed specifically to fund civic organisations. A board of independent Middle Eastern civil society representatives will decide its projects. At the 'Forum on the future' meeting in Bahrain in November 2005, civil society organisations participated with the same formal status as governments. This gives critical civil society a much bigger voice than they get in equivalent EU initiatives. One prominent Arab democracy activist insists that the BMENA has 'energised' democrats far more than either the Barcelona process or the neighbourhood policy. An admonishment commonly heard from democrats in the Middle East is that the EU 'still prefers to deal with governments'.

For several years now, policymakers in Brussels and other capitals have called for 'engagement with moderate Islamists'. But Commission officials are reluctant to assume a lead role on engaging with Islamists, because of the political sensitivities involved. EU engagement therefore has been mainly with regime-sanctioned (and largely pro-status quo) Islamist parties. In Morocco, for example, the EU fetes the relatively pro-establishment 'Party of Justice and Development' (PJD), while shunning the banned and more socially rooted 'Justice and Spirituality' movement.

Commission proposals to include moderate Islamists within EU-sponsored networks are invariably blocked by Southern Mediterranean governments, with feeble reactions from other EU states. The imprisonment of a single high-profile liberal activist can still awaken significant European concern, while the dubious arrest of thousands of Islamist 'sympathisers' goes unremarked. For example, European governments organised a *démarche* to the Egyptian government when Aymen Nour, the leader of the secular 'al Ghad' party was detained, but remained silent on the round-up in 2005 and 2006 of large numbers of Muslim Brotherhood supporters.

None of this is to argue that the EU should get involved in party politics by supporting particular political actors in Arab countries. Indeed, such an approach would probably do little to help the groups concerned, but rather cause a backlash against all democracy promotion efforts. Already many governments are cracking down on civil society funding from external donors. The Syrian government, for example, has recently closed down a small number of NGOs partly funded by European funds. In order to avoid being branded 'foreign agents' many Arab organisations are thinking twice about accepting outside support. Egypt's opposition Kifaya movement, for example, declined (discreet) offers of EU backing. Islamists in particular remain ambivalent if not hostile towards European support.

However, while overt interference in the electoral politics of Arab countries should be avoided, the EU could and should be doing more to create a level playing field for civil society actors, by criticising oppression, funding independent civil society groups and linking aid to repeals of restrictive laws. At present EU policies do little to protect genuine voices of opposition to autocratic regimes.

## Conclusion

European attempts to promote democracy in the Middle East and North Africa appear to be stuck in a no-mans' land, effective neither as 'bad cop' nor 'good cop'. For all its heavy-handedness and lack of local sensitivity, the United States has done a better job than the EU at getting Arab regimes, at least formally, to address the question of political reform. US credibility as a bastion of democratic standards has been undermined by its actions in Iraq, the lack of respect for human rights at Guantánamo Bay, the Abu Ghraib scandal and the 'extraordinary rendition' of terror suspects, as well as the administration's recent positions towards Hamas and the Israel-Hezbollah conflict. And yet, although the EU has escaped the opprobrium attracted by US democracy-promotion efforts, it has failed to use its more positive image across the Middle East to set out an alternative reform path. EU member-states and institutions will need to develop solutions to each of the four weaknesses that have afflicted their policies in the last few years. They should develop a new approach which includes:

- ★ **Tougher criticism of political repression.** It is true that democracy cannot be imposed from outside, and the EU is right to be wary of heavy-handed interference. However, this laudable aim must not be confused with ambiguity in support of democratic principles. More robust EU criticism of Arab governments for failing to live up to their own reform commitments would not constitute imposition, but it would show that the EU is serious.
- ★ **Bigger incentives.** European policy-makers must think beyond strategies based on 'reproducing the enlargement model'. The harmonisation of food safety standards or legislative approximation in competition law will do little to open up politics in the region. And the incentives offered by the EU are too meagre. As a start, the EU must develop a better understanding of the constellations of power in Arab states; both those that militate against change and those that provide opportunities for reform. More bespoke policies are needed that link reforms to the concessions sought by Arab governments.
- ★ **A neighbourhood-wide strategy for supporting reform movements.** The EU's piecemeal approach of supporting ad hoc projects is not working. It is also doubtful that indirect and technocratic projects will lead to any kind of momentum for change. Instead the EU should adopt a more strategic approach – taking advantage of the idea of the neighbourhood policy. For example, the Egyptian opposition party, al-Ghad, took its orange motif from the Ukrainian revolution, but the EU has made no effort to get Ukrainian democrats together with Egyptian reformers. As long as the ENP has no 'pan-neighbourhood' dimension, it will appear to many in the region as a confusing initiative. The EU should initiate and support a forum for democratic reformers, including Islamists where appropriate, from across the whole area covered by the ENP.
- ★ **Reaching grass-roots reformers.** The EU must urgently change its funding rules to make it easier to give money to the civil society organisations it chooses, rather than those favoured by incumbent regimes. European governments should also be willing to take the political risk of opening broad consultations with mainstream Islamist parties across the Arab world. As the only independent groups with broad-based support, these parties will inevitably be part of future political developments in many Arab states.

The EU has demonstrated its power to encourage profound political change in its neighbourhood, through the process of enlargement. However, the thinking and methods that sustained the EU's eastern enlargement will not work in the EU's new neighbourhood. The countries of the Middle East and North Africa are generally poorer and less developed than the countries of Central and Eastern Europe, and the incentives offered by the EU are far less generous. While political change must come from within the region, the EU can still play a positive supporting role and use its economic and political relationships with Arab countries as a catalyst for reform.



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