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Managing asymmetric
interdependencies
within the Euro-Medi-
terranean Partnership

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The Mediterranean Enlargement of the European Union and Its Effect on the Euro-Mediterranean Partnership

From its very beginning the European Union has had a strong interest in the maintenance of peace, stability and good neighbourly relations in the Mediterranean region. And for good reason too: many of the member states of the EU have a long Mediterranean coast line (France, Greece, Italy and Spain) as well as long-standing historic ties with the countries of the Mediterranean region. The region is an important outlet for EU exports particularly not least for the northern member states.¹ Furthermore, the Mediterranean region has developed into a strategically important conduit for the supply of a substantial part of the Union's oil and petroleum needs as well as a major world maritime highway for the carriage of goods and oil.² Environmental degradation has a direct bearing on all states of region, not least

- 1 In 1999, exports by the EU 15 to the Mediterranean Basin countries amounted to 87.8 billion Euros (11.6%) of total extra-EU exports of the EU, while imports amounted to 63 billion Euros (8.2%) of all extra-EU imports. In 1999, the main EU exporters to the Mediterranean Basin countries were Germany - 22%, France 20% and Italy 18%. Source: Eurostatistics, *Data for Short-Term Economic Analysis*. Theme 1, General Statistics, (Monthly), European Commission.
- 2 It is estimated that 30% of total merchant shipping in the world and 20% of oil shipping cross the Mediterranean each year. See, "*State and Pressures of the Marine Coastal Mediterranean Environment*", European Environment Agency and UNEP, Office for Official Publications of the European Communities, 1999, pages 66-70.

among them the key EU member states.³ A serious maritime disaster in this comparatively narrow sea⁴ could have immediate negative economic effects on all states particularly those that have been expanding their income and employment from tourism. On the other hand, the expansion of the tourist sector is also increasing the environmental pressures in the region.⁵ Sluggish economic growth when combined with rapid demographic growth as in some of the key southern littoral countries could also increase migratory pressures on Europe. In sum, negative developments in the Mediterranean region do not only affect the states of the region themselves, but they can also spillover onto the Union itself, sometimes with a knock on effect as well. This fact has long been recognised by the Union.

The Union's response has been a series of policies, beginning with the Global Mediterranean Policy of the early 1970s and culminating in the Euro-Mediterranean Partnership, the so-called Barcelona Process, which began in 1995, in which the EU, acting as a civilian power, has sought to help stabilise the region. These policies have periodically been criticised for being inadequate. Their main aim is undoubtedly the Union's own interests. However, a broad assessment of the effects on the Mediterranean Basin countries reveals that indeed the policy has been instrumental in at least preserving the traditional trade outlets and market access for the southern littoral states and with laying the foundations for newer forms of co-operation across the region. The positive effects of this overlaying cob-web of relations are already being felt and could possibly intensify in the

3 See for example the *Dobris Assessment* on the Mediterranean: Stanners D., and Bordeau P., (eds.) "*Europe's Environment: The Dobris Assessment*", European Environment Agency, Copenhagen, 1995, pages 116-121

4 On average there are 60 maritime accidents per annum in the Mediterranean region, with about 15 involving ships causing oil and chemical spills. [ibid., op.cit., UNEP and EEA 1999, page 66]. According to the second assessment of Europe's Environment, carried out by the European Environmental Agency, there are about 40 oil related sites in the Mediterranean region (pipeline terminals, refineries, off-shore platforms etc) and an estimated 0.55 and 0.15 billion tonnes of crude oil and petroleum products respectively are loaded and unloaded every year. See "*Europe's Environment: The Second Assessment*", European Environment Agency, Office for Official Publications of the European Communities, 1998, page 220.

5 For a discussion of the environmental effects of tourism on the region, ibid., pages 49-52.

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future, if the Euro-Mediterranean Partnership is more successful. Lastly, the effects of the EU's Mediterranean policies had best be judged by reference to the *anti-monde* situation of the absence of such policies. In other words, would the countries of the Mediterranean Basin have been better or worse off without the EU's intervention in the region, defective as the latter may be?

It is to the EU's credit that it has not been myopic to the need of constantly reviewing its Mediterranean policy. The 1972 Global Mediterranean Policy (GMP) was an attempt to bring some order under a global approach to the plethora of agreements that the Community had been concluding with the non-member states of the region since the Athens Association Agreement of 1961. Following nearly two decades of the GMP, the „new approach“ originally announced in 1989, attempted to review the Mediterranean policy in the light of the second EC enlargement that saw the inclusion of Greece, Spain and Portugal in the Community. This enlargement was perceived by the non-member states as having eroded their preferences in the EU. This review was accelerated by developments in central and eastern Europe and the Community's need to restore 'balance' in its external relations, so as not to appear to be tilting too much away from the Mediterranean region and towards its new found partners in the East. Finally, in September of this year, the European Commission published new proposals on how the Mediterranean Partnership could be strengthened in the coming years.⁶

Another interesting and related process is the EU enlargement and particularly the future accession of Cyprus and Malta, which can occur in the short-term, and in the longer run Turkey. From this point onwards, this paper focuses on the possible impact of the accession of Cyprus and Malta in the EU on the Mediterranean Partnership.

6 „Reinvigorating the Barcelona Process“, Com (00) 497 final, Brussels, 06/09/2000

Enlargement

The EU's enlargement has an external and internal aspect. On the external front, the EU's major trading partners, including those of the Mediterranean Basin, stand to benefit from a larger single market operating on common rules as well as new investment and trading opportunities.⁷ Provided, of course, that matching national policies are pursued which help partner countries realise the opportunities that open up. The accession of Cyprus and Malta in the EU also has an internal as well as an external dimension from the EU's stand point. Externally, their accession will further extend the EU's borders southwards in the region. Internally, the Mediterranean group within the EU - presently composed of five member states, namely Spain and Portugal (even if the latter has only an Atlantic coastline), France, Italy and Greece will increase to seven. However, although the number of EU Mediterranean countries will increase through the entry of Cyprus and Malta, the internal balance in the Union more towards central and eastern Europe. This should not necessarily give cause of concern. When due consideration is given to the growing interdependence of the various member-states of the Union, as well the broader interests of all member states, which are bound to intensify as economic integration deepens and widens, then it becomes more worthwhile to consider the EU as a single system where any change in one of the parts affects the whole and hence is in every member state's interest. The knock-on effect or shock waves across an integrated single system such as the EU has become, means that the Mediterranean for example, is not a region that should concern only the Mediterranean EU member states, in the same way as central and eastern Europe should not be the concern of the states of that sub-region only.⁸ In addition, consideration must also be given to the fact that the Union is governed by common institutions where the formal equality of all member

7 European Commission, *Strategy Paper on Enlargement*, November 8, 2000.

8 It is axiomatic to think on the basis of integration theory that any serious disturbance in any one of these regions will be quickly transmitted to the whole of the system, while the adverse effects caused will depend of course on the magnitude of the impulse. By the same logic, the beneficial effects of the EU's enlargement stand to benefit all countries with strong links with the Union.

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all member states is not only accepted but enables them to participate in all the decisions that are on the agenda.

However, proximity will continue to play an important role no doubt (e.g. Germany taking the lead in central and eastern Europe, France, Italy, Spain, Greece and Portugal in the Mediterranean region, Italy in the Balkans etc) in shaping the Union's policies towards third countries. Hence, the division of the EU member states into real or imaginary 'clubs' or caucuses remains useful for the purpose of analysis, though it must not be treated as a unique explanatory variable.

In light of the above discussion, the entry of Cyprus and Malta in the EU, may indeed strengthen the sensitivity of the Union towards the Mediterranean region. The cause of this increased sensitivity derives from two main aspects: the small size of the two prospective member states and the fact that they are only two wholly Mediterranean states with little other competing interests apart from the Mediterranean region. By virtue of their small size and limited resources, their attention and contribution in the decision-making institutions of the Union has to be more focused. This 'Mediterranean orientation' is best brought out by this comparison: while the larger European Mediterranean states have multiple foreign policy interests, apart from what is happening in the Mediterranean region (e.g. the larger EU member states are all in one way or the other involved simultaneously in developments in the Balkans, Central and eastern Europe and trans-Atlantic relations to mention a few) and which divide their attention in international relations, the main concerns of Cyprus and Malta and which flow mainly from their smallness and vulnerability, are more focused on the matters of immediate relevance to them, which begin in the Mediterranean region, if not the sub-region of the Mediterranean to which they belong.⁹ Their small size and their sense of insularity, makes them more sensitive to whatever happens in the region than most other states.

9 The argument used here with respect to the European states can be used with equal force to the 'multiple' foreign policy interests of the Arab states of the region: e.g. Arab politics, African politics etc.

In addition, it must be emphasised that Cyprus and Malta are not only island states but also the only ones with no physical link with any of the larger continents (Europe, Africa or Asia) surrounding the Mediterranean. Hence their 'Mediterranean orientation' tends to be stronger (although they are not totally focused in this direction only). The attitude of the Mediterranean states could perhaps be illustrated by reference to Malta's first policy statement when it joined the Council of Europe in 1965. Addressing the Parliamentary Assembly in 1965, Malta's Prime Minister expressed it this way: "*Membership of the Council of Europe has been to my country like returning home after a long absence... Whilst a European country sharing a common culture, history and way of life, we naturally gravitate towards Europe, our geographical position makes us aware of the importance of North Africa, which shares, with six members of the Council, a common sea and which has much to contribute to the welfare of the area. We therefore would think of this aspect of European foreign policy could be given some more thought.*"¹⁰ From that point onwards, Malta's foreign policy emphasis has varied from more to less intense preoccupation with the Mediterranean region.

Consider for example the two states' income from tourism, which amounts to around 20% of GDP in the case of Cyprus and 22% of GDP in the case of Malta. A serious political disturbance in the region and its environs or a maritime ecological disaster close to their coasts, could negatively affect their economic well-being. The outbreak of the Gulf War in 1990-91 has supplied ample evidence of how travel and trade in and across the region could be negatively affected by a serious disturbance, even on the region's periphery.¹¹ Furthermore, while every Mediterranean Basin country reaps

10 *Malta Today*, Department of Information, Malta, September 1965, pages 5-9.

11 *The Bulletin* published by the Central Bank of Cyprus in June 1991 (No 111, page 1), had this to say: "Economic activity during the first quarter of 1991 suffered a severe blow from the eruption of the Gulf war...Tourism and related activities, which are highly vulnerable under conditions of political and military turmoil, experienced substantial losses arising from a greatly reduced tourist inflow. The setback...was enhanced by an expansion of the trade deficit... (resulting) from reduced foreign demand for manufactured goods, particularly in the Arab countries and the Middle East..."

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economic dividends from peace and stability, small and economically 'open' countries such as Cyprus and Malta stand to gain more and risk losing most in the event of turmoil. Indeed the independence of small and weak states tends to be most at risk in times of conflict.

However, being small states, both Cyprus and Malta have a different approach to their Mediterranean agenda than the larger countries. The independence and identity of small states is probably more at risk in an anarchical international or regional states system, and particularly in times of war, than in a "rule-based" one. That is why, small states such as Cyprus and Malta are more inclined than larger states to support and uphold international organisations and to act through them in concert with others. Indeed, both countries have placed special importance on international organisations and multilateral negotiations where they have initiated their most notable foreign policy actions since their independence. The Euro-Mediterranean partnership is a rule-based international regime that suits these two countries' aims and methods in the region to near perfection: the partnership facilitates the achievement of more open trade, eventually a Euro-Mediterranean free trade area, it strengthens the links of interdependence among the region's states, it gives both Cyprus and Malta a freer access to the North African and Near Eastern markets, it provides a political forum for the discussion of some key regional political issues, strengthens confidence-building measures and multiplies the horizontal and vertical links of co-operation across the region and keeps both sides of the Mediterranean Basin positively engaged in search of common solutions. In the last analysis the partnership is a factor of stability for which there is no alternative substitute in sight. Furthermore, while the larger EU states can contemplate a national approach to the region in parallel with the EU's unified policy, Cyprus and Malta can only act effectively if they do so through a larger and more effective policy such as the EU's Euro-Mediterranean Pol-

The Economic Survey January-September 1991 (Ministry of Economic Affairs Malta): (page 23) "One of the main factors behind this development (slow down in foreign demand) is the slowdown observed in the export of services, particularly tourism, associated with the adverse repercussions of the Gulf crisis on the economy during the first part of the year."

icy. As a result the importance that the two small states attach to the Euro-Mediterranean Partnership will always tend to be different from that attached by the larger EU member states.

It is also likely that the importance and international standing of both Cyprus and Malta will increase in the Euro-Mediterranean Partnership by virtue of their EU membership alone, and particularly by the fact that they become direct participants in the formulation and execution of the EU policies. What remains to be seen is how they will use this new found importance. Furthermore, by virtue of the fact that both island states are Commonwealth countries, they also have long standing relations with the countries linked to the EU by the Lom, Convention, apart from links with Canada, Australia, New Zealand and India to mention a few. These relations can also become useful to the European Union.

The question still remains, however, as to what possible role could Cyprus and Malta play in the Mediterranean region following enlargement. To begin with, it is worth observing that for a long time, Cyprus and Malta were members of the non-aligned Movement. Cyprus was one of the founding members of the Movement, Malta defined its neutrality, enshrined in the Constitution by reference to non-alignment. Although the non-aligned movement was neither a paradigm of unity (several of its members went to war against one another) nor of impeccable correct international behaviour, Kissinger accused members of the movement of exploiting East-West rivalry, nevertheless it served as a platform for dialogue between a number of countries, including practically all those of the southern Mediterranean littoral. The small size of Cyprus and Malta, coupled with their past involvement in the non-aligned Movement and the fact that they neither have the means to project power (they do not present a 'security dilemma' to their neighbours) nor broader ambitions, makes them ideal for the role of political 'brokers' in the region. The two countries have already had the opportunity to play this role during the Conference on Security and Cooperation in Europe together with the other members of the group of European Neutral and Non-aligned countries (N + N). As EU members Malta and Cyprus will be represented in the EU decision-making institutions while enjoying at the same time the trust of their neighbours.

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This does not mean that Malta and Cyprus will become the only diplomatic bridges between the southern and northern shores of the Mediterranean Basin. Cyprus and Malta will still lack the means, diplomatic resources and prestige to make meaningful interventions in major problems (such as the Middle East, Algeria etc..) But their role could become useful in the event of lesser problems that appear difficult to resolve and in lobbying inside the EU institutions in favour of Mediterranean initiatives by the EU. Taking their CSCE experience as a starting point, Cyprus and Malta could perhaps play the role of messengers, intermediaries, „mellowers“, initiators of third solutions, providers of a constructive push in times of stalemate and providers of good offices.¹² A lot will also depend on their role in the Common Foreign and Security Policy of the EU (CFSP) and the level of prestige they manage to build up in this EU pillar. Both applicant states claim to be ready to take on the CFSP acquis. Participation in the so called Petersberg tasks which are consonant with the preferred policies of neutral and non-aligned states will also increase their ability to play the roles described above. However, as long as they remain out of the EU, they can never muster the importance in international affairs or in the EU institutions themselves to be in a position to play such a role.

Conclusion

The accession of Cyprus and Malta in the EU does not threaten the Union with insurmountable problems and nor is it likely to negatively affect the EU's partners in the Mediterranean region. Their entry will also increase the Mediterranean group of states in the Union, but does not threaten the overall balance of the Union. As small states they may be regarded as helpless in advancing their international agenda. However, they also possess strengths which derive from their smallness. Hence, their stronger focus on their immediate environment, the Mediterranean, and a limited foreign relations agenda, the lack of broader distractions, coupled with their friendly

12 This is the role that the N+N group played in the CSCE according to Anton Bebler in „The NN Group in the New European Security Architecture“, *The International Spectator*, IAI, Rome, Volume XXVII, No 1, January-March, 1992, page 72.

relations with neighbouring countries, the fact that both applicants have a recent colonial experience (having suffered hegemony, not exercised it) which they share with their neighbours, their experience in the non-aligned movement and the experience of their participation in the CSCE, all help them to take on a very positive role in the EU and in the Euro-Mediterranean Partnership. It may also be argued convincingly, that Cypriot and Maltese EU membership will benefit more the southern Mediterranean non-member states in dealing with the EU, than if the two small applicant island states stay out. The dynamics of the next Mediterranean enlargement of the EU to include Cyprus and Malta exhibit a few notable advantages as argued in this paper that are significant, despite the small size of these applicants.

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