

Preoccupied with the Market: The EU as a Promoter of ‘Shallow’ Democracy in the Mediterranean

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Abstract. This article investigates the substance of the European Union (EU)’s democracy promotion towards its southern neighbours within the framework of the Euro-Mediterranean Partnership (EMP)/the Union for the Mediterranean (UfM) and the European Neighbourhood Policy (ENP). Taking the distinction between core elements of democracy and supporting external conditions as a point of departure, this article concentrates on the latter and analyses the EU’s view on the relation between the state, the market, and the civil society. This article finds that the main objective of the EU’s policy towards its southern Mediterranean neighbours is economic liberalization and that the promotion of the civil society, the functioning of the state, and the core elements of democracy are oriented to the promotion of a market-based economy. Moreover, the EU’s preoccupation with the market has affected the establishment of democracies in the southern Mediterranean region.

I Introduction

The establishment of democracy is one of the objectives of the European Union (EU) within the framework of the Euro-Mediterranean Partnership (EMP)/the Union for the Mediterranean (UfM) and the European Neighbourhood Policy (ENP), the policies designed by the EU to guide its relations with its southern Mediterranean neighbours.¹ Scholars who studied the democratization strategy and instruments of the EU and the effect and impact of its policy on the region generally concluded that the EU has been neither very ambitious nor successful in promoting democracy in the southern Mediterranean region. The reasons for the rather modest efforts to promote democracy are believed to be manifold: the fear of the destabilization of the region, which would affect the EU’s security in terms of migration and energy supply, the fear to bring into power Islamist extremists, and the nature of the EU as an internally conflicted democratization

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¹ ‘Euro-Mediterranean Conference, Barcelona Declaration’, <http://trade.ec.europa.eu/doclib/docs/2005/july/tradoc_124236.pdf>, 10 Dec. 2010; European Commission, Wider Europe – Neighbourhood: A New Framework for Relations with Our Eastern and Southern Neighbours, COM (2003) 104 final.

persona.² However, in these studies, there has been less attention to the *substance* of democracy the EU furthers in its southern Mediterranean neighbours. Most authors agree that the EU promotes a ‘European liberal-style democracy’ in the region without going deeper into explaining what this exactly entails.³ This article will, therefore, open the black box of democracy in the study of the EU as a promoter of democracy in the southern Mediterranean region. More specifically, it focuses on ‘the external supporting conditions’ of democracy. First, this article argues that the relation between the state, the market, and the civil society (the democratic triangle) is important to reach the democratic values of equality and liberty. Second, this article examines how the EU sees the relation between the state and the market and, subsequently, the relation between the state and the civil society. It is concluded that the EU’s preoccupation with the market has affected economic and political equality and that it has led to a rather limited support of liberty. Growing inequality and a lack of liberty are the two root causes for the protests and revolutions that are currently going on in the Mediterranean region. The conclusions of this article refer to the policy of the EU before the outbreak of the protests and revolutions in the region. Meanwhile, the EU’s policy has been revised. These revisions are discussed in the third part of the article. However, we will have to await the implementation in order to see if these revisions lead to a real change in the EU’s policy towards the region.

II The Importance of a Balanced Democratic Triangle

The framework of embedded democracy makes a distinction between the core elements of democracy (organization of elections, political and civil rights, a system of ‘checks and balances’, and the effective power to govern for democratically elected officials), on the one hand, and the supporting external conditions, on the other hand. These conditions, that is, stateness, the presence of a civil society, and the socio-economic context, ‘shape the environment that encompasses, enables and stabilizes the democratic regime’.⁴ This article focuses on these external

² S. Panebianco, ‘The Constraints on EU Action as a “Norm Exporter” in the Mediterranean’, in *The European Union’s Roles in International Politics: Concepts and Analysis*, eds O. Elgström & M. Smith (London: Routledge, 2006), 136–154; F. Schimmelfennig & H. Scholtz, ‘EU Democracy Promotion in the European Neighbourhood: Political Conditionality, Economic Development and Transnational Exchange’, *European Union Politics* 9, no. 2 (2008): 187–214; T. Freyburg et al., ‘EU Promotion of Democratic Governance in the Neighbourhood’, *Journal of European Public Policy* 16, no. 6 (2009): 916–934; R. Youngs, ‘Democracy Promotion as External Governance?’, *Journal of European Public Policy* 16, no. 6 (2009): 895–915.

³ M. Pace, ‘Paradoxes and Contradictions in EU Democracy Promotion in the Mediterranean: The Limits of EU Normative Power’, in *The European Union’s Democratization Agenda in the Mediterranean*, eds M. Pace & P. Seeberg (USA: Routledge, 2009), 45–49.

⁴ A. Wetzels & J. Orbie, ‘Promoting Embedded Democracy? Research the Substance of EU Democracy Promotion’, *European Foreign Affairs Review* 16, Special Issue (2011): 7–13.

conditions. More specifically, we argue that the state, the civil society, and the market are actually the three pillars of a democratic society, because the relation between these three elements plays an important role in how equality and liberty, two core values of a democratic society, are defined and reached. In contrast to the embedded democracy framework presented in the introductory article, we do include the market into the definition of democracy, because we believe that the market is, under certain conditions, a supportive element of a democracy.⁵ Anton Zijderveld calls the state, the market, and the civil society the democratic triangle, which is founded upon an ideological triangle: socialism, liberalism, and conservatism. Each of these ideologies favours one of the three pillars over the others and each attributes different meaning and significance to equality and liberty.⁶

Regarding the former, the democratization literature usually claims that there should be ‘a fair distribution of the material and cognitive resources of society’.⁷ Economic inequality can result in substantive political inequality or unequal access to the democratic process that shapes society.⁸ Nevertheless, there are different views on how equality should be defined and how it can be reached, which is reflected in the political and academic debate on how the relation between the state and the market should be organized. Liberalism defines equality mainly as equal liberty for all individuals.⁹ (Neo)Liberalism therefore either pleads for a minimalist role of the state or it has to provide a neutral framework for individuals to pursue their interests and support the functioning of the market.¹⁰ Conversely, socialism, communism, but also ecologism and feminism criticized this idea by stating that the autonomy of the individual and its pursuit of self-interest will conflict with social, environmental, and feminist objectives, and thus with equality. Therefore, the state should not be neutral but should provide the framework to reach these objectives.¹¹ Some Islamist economists have also defined the role of the state as the protector of the consumer, based on a moral code of Islam, with ‘equality as its basic doctrine’.¹² Contrary to (neo)liberalism, equality is here seen as an equality of results.¹³

⁵ For an insight into these conditions, see D. Beetham, ‘Market Economy and Democratic Polity’, *Democratization* 4, no. 1 (1997): 76–93.

⁶ A. Zijderveld, *The Waning of the Welfare State: The End of the Comprehensive State Succor* (New Jersey: Transaction Publishers, 1999), 152–156.

⁷ W. Merkel, ‘Embedded and Defective Democracies’, *Democratization* 11, no. 2 (2004): 45.

⁸ Ph. Schmitter & T.L. Karl, ‘What Democracy Is... and Is Not’, *Journal of Democracy* 2, no. 3 (1991): 87; L. Guazzone & D. Poppi, ‘Democratisation in the Arab World Revisited’, *The International Spectator* 39, no. 4 (2004): 92–93; R. Dahl, *On Political Equality* (New Haven: Yale University Press, 2006).

⁹ Merkel, *supra* n. 7, 49.

¹⁰ D. Held, *Models of Democracy* (Cambridge: Polity Press, 2006), 59 and 93.

¹¹ *Ibid.*, 79 and 99.

¹² Z. Hasan, ‘Markets and the Role of Government in an Economy from Islamic Perspective’, <http://mpra.ub.unimuenchen.de/12233/1/MPra_paper_12233.pdf>, 10 Dec. 2010.

¹³ Zijderveld, *supra* n. 6, 153.

The second of these values is liberty, as equality can lead to the oppression of liberty. The presence of a civil society in a country is considered as a guarantee for liberty, but there are again different views on how the civil society should be organized and how liberty can be reached. Liberalism defines civil society as based on the liberty of the individual. Family life and religious groupings are excluded, as these belong to the private sphere.¹⁴ The relation between the state and civil society is seen as dichotomous: Civil society is an ‘independent societal sphere’ that is legitimized to control democratic leaders in a democratic state.¹⁵ In authoritarian states, the civil society should be the driving force for democratic changes. This dichotomous view embraces the concept of negative liberty, where liberty is the sphere for the self-development of the individual or a group of individuals without the interference of other individuals. Conservatism disagrees with this and states that families and religious groupings are the foundations of the civil society.¹⁶ A civil society should not only control the state but also ‘contribute to its legitimization through civil participation’.¹⁷ Civil society organizations (CSOs) ‘find, absorb, condense, and pass on public problems to the political arena like an amplifier’.¹⁸ This role of civil society is based on the notion of ‘positive liberty’: the possibility for individuals to autonomously and deliberately organize their life. However, this positive form of liberty can also derail into a rational view on liberty (potentially performed by the state or by religions), where people are free if they live according to rules that are seen as objective and therefore the only rules that are true. This would limit their negative liberty.¹⁹ Therefore, there should be a balance between these two notions of liberty, and the civil society should perform both functions: control the state but also provide ‘a sphere of interest-articulation’.²⁰

To sum up, equality and liberty are two values a democratic society should meet. How equality and liberty should be defined and reached has been subject of political debate on how the organization of the relation between the state, the market, and the civil society should be organized. Zijdeveld states that the three corners of the democratic triangle should be kept in balance, because

¹⁴ L. Diamond, *Developing Democracy: Towards Consolidation* (Maryland: The Johns Hopkins University Press, 1999), 22.

¹⁵ Merkel, *supra* n. 7, 45.

¹⁶ S. Huntington, ‘Conservatism as an Ideology’, *The American Political Science Review* 51, no. 2 (1957): 456; B. He, ‘Civil Society and Democracy’, in *Democratic Theory Today*, eds A. Carter & G. Stokes (Cambridge: Polity Press, 2002), 208.

¹⁷ A. Jünemann, ‘The EuroMed Civil Forum: Critical “Watchdog” and Intercultural Mediator’, in *A New Euro-Mediterranean Cultural Identity*, ed. S. Panebianco (London: Frank Cass Publishers, 2003), 90.

¹⁸ F. Volpi, ‘Pseudo-democracy in the Muslim World’, *Third World Quarterly* 25, no. 6 (2004): 1061–1078; I. Berlin, *Twee opvattingen van vrijheid*, trans. T. Ausma & H.T. Blockland (Amsterdam: Uitgeverij Boom, 1996).

¹⁹ Berlin, *supra* n. 18.

²⁰ Merkel, *supra* n. 7, 45–47.

overemphasizing one of the three corners can lead to a ‘defective democracy’, like history has shown with the rise and fall of Stalinism (overemphasis on the state and thus equality, which impedes liberty) and fascism (overemphasis on a civil society based on certain norms and thus positive liberty, which impedes equality).²¹ Merkel makes a similar argument in his article, stating that ‘damage to this environment often results in either isolated defects or destabilization of the democracy itself’.²² This is why it is important to look at how the EU sees the relation between the state, the market, and the civil society in the southern Mediterranean countries and to examine if its approach is intended to lead to a balance of the three corners of the democratic triangle. In doing so, the following paragraphs combine the study of EU documents with insights from the EU external relations literature and area studies on southern Mediterranean countries.

III The Relation between the State and the Market

Although the EU has several objectives in its relations with southern Mediterranean countries, the focus has mainly been on the economic dimension of the cooperation.²³ More specifically, the EU’s policy has as its main goal the transformation of the southern Mediterranean countries into market-based economies through economic liberalization. This is mentioned in the Euro-Mediterranean Association Agreements (EMAAs) and research has shown that the financial assistance under the *Mesures D’Adjustement* (MEDA) and the European Neighbourhood and Partnership Instrument (ENPI) is even used as a conditionality mechanism to reward countries that have performed economic reforms.²⁴ Rather than addressing direct economic interests, the EU’s policy in the southern Mediterranean partners is informed by a long-term objective to foster the creation of market-based economies through economic liberalization. This can be seen as a milieu goal, since it aims at ‘shaping conditions beyond the national boundaries and it does not necessarily exclude an element of self-interest in the long-run’.²⁵ Indeed, the EU itself indicates that economic liberalization will lead to enhanced economic and thus political interdependence and, therefore, to stability.²⁶

Closer examination of the projects supported by the EU in the southern Mediterranean area reveals that the EU has a neoliberal view on the state. The provided

²¹ Zijderveld, *supra* n. 6, 128.

²² Merkel, *supra* n. 7, 44.

²³ P. Holden, *In Search of Structural Power* (Aldershot: Ashgate, 2009), 20.

²⁴ V. Reynaert, ‘Explaining EU Aid Allocation in the Mediterranean: A Fuzzy-Set Qualitative Comparative Analysis’, *Mediterranean Politics* 16, no. 3 (2011), 405–426.

²⁵ J. Orbie, ‘A Civilian Power in the World? Instruments and Objectives in European Union External Policies’, in *Europe’s Global Role: External Policies of the EU*, ed. J. Orbie (London: Routledge, 2008), 1–35.

²⁶ European Commission, *Wider Europe – Neighbourhood: A New Framework for the Relations with Our Eastern and Southern Neighbours*, COM (2003) 104 final.

financial assistance is mainly meant to reorient the state to support the functioning of the free market. In the Country Strategy Papers (CSPs) and the National Indicative Programmes (NIPs) developed by the European Commission, this aid is often mentioned as the promotion of ‘good governance’. Although the EU defines ‘good governance’ rather broadly in its policy documents, including support for the democratization process, respect for human rights and fundamental freedoms, and respect for the rule of law,²⁷ it applies a rather narrow definition when it comes to the programming of aid: The focus is then mainly on the effectiveness of public administration and the absence of fraud and corruption. The CSPs of Egypt and Lebanon, for example, mention that ‘modernization and development of public services delivery, including improvement of good governance and measures to combat corruption and encourage transparency, especially of public finance are major priorities for Egypt [Lebanon]’.²⁸ In Syria, one of the main programmes financed by the EU in 2002 dealt with institution building in order to ‘upgrade the capacity of the central government bodies to conduct policies in line with the evolution towards a more open and liberalized economy (...) and to modernize legislation and regulations concerning fiscal policy, budget policy and budget execution, and customs tariffs and practices’.²⁹

The same accounts for the strengthening of the judiciary in the southern Mediterranean neighbours, which is also often mentioned as the promotion of ‘good governance’.³⁰ However, the main goal of the support for the judiciary is not necessarily to reinforce the system of ‘checks and balances’ but often to fight corruption and money laundering, to support business and, by extension, the smoothly functioning of the free market, as strongly illustrated by the CSPs 2002–2006 and 2007–2013 of the southern Mediterranean countries. The EU stated in the case of Tunisia in 2002: ‘It is also about the reinforcement of the rule of law in order to inspire the confidence of the entrepreneurs’.³¹ In the case of Jordan in

²⁷ European Commission, Governance in the European Consensus on Development, COM (2006) 421 final.

²⁸ European Commission, ‘Country Strategy Papers 2007–2013 & National Indicative Programmes 2007–2010 of Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, <http://ec.europa.eu/world/enp/documents_en.htm>, 12 Dec. 2010, 16 and 21.

²⁹ European Commission, ‘Country Strategy Paper 2002–2006 & National Indicative Programme 2002–2004 of Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, <http://ec.europa.eu/world/enp/documents_en.htm>, 12 Dec. 2010, 15.

³⁰ *Ibid.*; European Commission, ‘National Indicative Programme 2005–2006 Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, <http://ec.europa.eu/world/enp/documents_en.htm>, 12 Dec. 2010; European Commission, ‘Country Strategy Papers 2007–2013 & National Indicative Programmes 2007–2010 of Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, *supra* n. 28.

³¹ European Commission, ‘Country Strategy Paper 2002–2006 & National Indicative Programme 2002–2004 of Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, *supra* n. 29, 19.

2007, the EU pled for the creation of specialized courts to deal with commercial and business matters like competition and intellectual property.³²

These examples show that the support for the state apparatus is very often meant to enhance the functioning of the free market. Consequently, the core elements of a democracy as identified by the conceptual framework are mainly supported if they contribute to the functioning of the market. This is, for instance, the case with the support for the horizontal separation of powers and civil rights, as mentioned above. The EU provides very little support for political liberties or elections.³³ According to the EU's policy on election observation and assistance, the EU only provides support for elections when requested by the third country's government. In most cases, the southern Mediterranean countries did not invite the EU as an international observer or they did not ask for financial assistance (exceptions being Lebanon and the Palestinian Territories).

Several authors have examined the consequences of this emphasis on economic liberalization in the southern Mediterranean countries, and they come to the conclusion that the focus of external actors like the EU, but also the United States, on economic liberalization, leads to several problems. These problems especially occurred in countries that pursue a very neoliberal policy and where the policies of the EU and the United States have most impact, like Jordan, Morocco and Tunisia. First, as the role of the state is redefined in neoliberal terms in these countries, there is less room for the state to provide equal access to public goods, like social security and education. Second, as a consequence of this redefinition of the role of the state, there is also more unemployment in countries that used to have a large public sector. The state provides less job opportunities. Unemployment is especially a problem in the southern Mediterranean countries and leads to more poverty.³⁴ Third, in some cases, the policy is in favour of the interests of economic groups and multinationals, which has an impact on equality because there is no fair distribution of material resources in the society.³⁵ This can also affect the 'effective power to govern' of the democratically elected representatives. This is, for instance, the case in the Aqaba Special Economic

³² European Commission, 'Country Strategy Papers 2007–2013 & National Indicative Programmes 2007–2010 of Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia', *supra* n. 28, 25.

³³ Under MEDA, the EU supported one project to promote women to take part in the parliamentary elections, while under the ENPI, the EU funded one project on the organization of elections in Egypt.

³⁴ G. Joffé, 'Morocco's Reform Process: Wider Implications', *Mediterranean Politics* 14, no. 2 (2009): 160–161; M.A. Baylouny, 'Militarizing Welfare: Neo-liberalism and Jordanian Policy', *Middle East Journal* 62, no. 2 (2008): 291–296.

³⁵ S. Haque, 'Globalization, New Political Economy, and Governance: A Third World Viewpoint', *Administrative Theory & Praxis* 24, no. 1 (2002): 103–124; S. Zemni & K. Bogaert, 'Trade, Security and Neoliberal Politics: Whither Arab Reform? Evidence from the Moroccan Case', in *The Foreign Policies of the European Union and the United States in North Africa*, eds F. Cavatorata & V. Durac (London: Routledge, 2009), 88–104.

Zone (ASEZ) in Jordan. The ASEZ is a geographically demarcated zone of Jordanian territory that is, with the support of the EU and the United States, made economically attractive for foreign investments by the non-application of national labour law and the installation of a special fiscal regime. The main objective of this zone is the stimulation of economic growth through a smoothly function of the free market and is meant to create a ‘spill-over effect’ to the economy of the whole country. The ASEZ is governed by the Aqaba Special Zone Authority (hereinafter the Authority), which has financial and administrative autonomy and is ‘independent from central government authorities’.³⁶ Moreover, the Authority is the successor of the Aqaba Region Authority and the municipality of Aqaba, and all rights and obligations of the Region Authority and the Municipality of Aqaba are transferred to the Authority.³⁷ In other words, although the Authority is not officially elected and thus not democratically accountable, it has the ‘effective power’ to govern in the Aqaba Zone. A study on the functioning of the ASEZ has shown that it is impossible for democratically elected representatives to influence the decision-making process on how liberalization should be implemented in the zone and that, although the creation of ASEZ should lead to the enhancement of employment possibilities for Aqaba residents, there was favouritism in the hiring of employees in the zone. Mainly, the sons of officials and ministers were appointed, and they received very high wages.³⁸ Fourth, the political elite has benefited strongly from economic reforms, as they are often also economic entrepreneurs. This led to the establishment of ‘liberal autocracies’.³⁹ These studies show that economic liberalization, strongly promoted by the EU, did not lead to ‘a fair distribution of the material and cognitive resources of society’, one of the identified values of a democratic society. It rather led to economic and political inequality or unequal access to the democratic process that shapes the society. Today, this economic inequality is, together with a lack of liberty, the root cause for the revolutions and the protests in the region.

³⁶ European Commission, ‘Country Strategy Paper 2002–2006 & National Indicative Programme 2002–2004 of Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, *supra* n. 29.

³⁷ ‘Aqaba Special Economic Zone Law No. 32 for the Year 2000 and Its Amendments, Arts 7 and 8’, <www.aqabazone.com/files/Lawbook%20E%20&%20A%20Final.pdf>, 12 Dec. 2010.

³⁸ M. Kardoosh, ‘The Aqaba Special Economic Zone in Jordan: A Case Study of Governance’, in *Governance of Economic Reform, Studies on Legislation, Participation and Information in Egypt, Morocco and Jordan*, ed. N. El-Mikawy, <www.erf.org.eg/cms.php?id=NEW_publication_details_books&publication_id=472>, 13 Dec. 2010, 269–270.

³⁹ M. Pace, P. Seeberg & F. Cavatorta, ‘The EU’s Democratization Agenda in Het Mediterranean: A Critical Inside-out Approach’, in Pace & Seeberg (eds), *supra* n. 3, 3–19; T. Schumacher, ‘Transformation toward Democracy and a Social Market Economy? The Middle East and North Africa’, in *Europe and the Middle East, Bound to Cooperate II*, eds C. Hanelt & A. Möller (Guetersloh: Bertelsmann Publishers, 2008), 231–249.

IV The Relation between the State and the Civil Society

The EU has two possibilities to support the civil society in third countries. First, it can incorporate the promotion of civil society as an objective under MEDA and ENPI. A closer examination of the projects and programmes reveals that the EU indeed supported the development of the civil society in Egypt, Morocco, Syria, and Tunisia for a rather limited amount of EUR 34.5 million between 1995 and 2013.⁴⁰ Second, the EU also has a thematic budget line that is designed to support democracy and human rights in third countries, which is called the European Instrument for Democracy and Human Rights (EIDHR). Its main feature (in contrast to MEDA and ENPI) is that the financial assistance is directly allocated to projects developed by CSOs. Partner governments do not have to give their consent to implement these projects on their territory, but in reality, CSOs often have to register with the governments before they can start their activities. Initially, under the predecessor of the EIDHR (which was called the MEDA democracy programme 1996–1998), the allocation of funding was solely based on the applications of CSOs based in the partner countries. As a consequence, the substance of what was being promoted mainly depended on the projects submitted by CSOs. After 1999, the funds of the MEDA democracy programme merged into the EIDHR. At that time, the EU also changed its strategy to allocate funds. From 2000 onwards, the EU worked with targeted projects (projects guided and developed by the European Commission) and call for proposals by CSOs. Regarding this call for proposals, the EU itself first defined the thematic priorities of its policy and then it decided which countries were eligible for funding under which priority, meaning that it has more influence on what is exactly being promoted in the southern Mediterranean region.⁴¹

The largest share of funding under EIDHR went to CSOs working on human rights issues. In 2003, Youngs noticed that ‘human rights issues within EIDHR clearly predominate over initiatives aimed at the broader shaping of democratic institutional structures’.⁴² This is confirmed by a study of Bicchi, who showed

⁴⁰ *The Barcelona Process Five Years On, 1995–2000* (Luxemburg: Office for Official Publications of the European Communities, 2000); European Commission, ‘Country Strategy Paper 2002–2006 & National Indicative Programme 2002–2004 of Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, *supra* n. 29; European Commission, ‘National Indicative Programme 2005–2006 Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, *supra* n. 30; European Commission, ‘Country Strategy Papers 2007–2013 & National Indicative Programmes 2007–2010 of Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, *supra* n. 28; European Commission, ‘National Indicative Programme 2011–2013 Algeria, Egypt, Jordan, Lebanon, Morocco, Syria and Tunisia’, <http://ec.europa.eu/world/enp/documents_en.htm>, 12 Dec. 2010.

⁴¹ F. Bicchi, ‘Democracy Assistance in the Mediterranean: An Overview’, *Mediterranean Politics* 14, no. 1 (2009): 56.

⁴² R. Youngs, ‘European Approaches to Democracy Assistance: Learning the Right Lessons?’, *Third World Quarterly* 24, no. 1 (2003): 129.

that between 2002 and 2005 most of the funding for microprojects eventually went to the promotion of human rights rather than to the promotion of the democratic process.⁴³ This tendency persisted between 2007 and April 2009: The EU then mainly supported projects regarding the promotion and protection of human rights and fundamental freedoms (fourteen projects), the strengthening of the civil society (six), governance (five), the rule of law (four), torture (four), women (three), children (two), and minorities (two).⁴⁴

The focus on human rights means that the EU mainly promotes a civil society based on the notion of ‘negative liberty’: ‘it maximizes individual rights and tries to avoid people’s personal freedom being trampled upon by other people’s personal freedom’.⁴⁵ However, the EU mainly promotes the rights of women and children rather than more controversial political rights of association and participation that contribute to ‘positive liberty’. This was already noticed by Crawford in the 1990s: ‘emphasis is on promoting rights in relatively liberal context and less focus on protecting civil and political rights in situations of government oppression’, and is still the case today.⁴⁶ This is partially because there were far more applications from CSOs regarding children and women rights, as there is more chance that these projects will be accepted by the southern Mediterranean governments.⁴⁷ Nevertheless, the EU did also not stimulate the support for political rights through the definition of thematic priorities under its EIDHR policy.

Moreover, the EU promoted these rights for women and children mainly in the least authoritarian countries in the region. According to the final report on the evaluation on the MEDA democracy programme 1996–1998, West Bank and Gaza (20%), Israel (16%), and Morocco (10%) and also the regional projects (27%) received the highest share of funds, while Syria (1%) and Tunisia (1%) received the lowest share of funds, because it was very difficult to support CSOs in these countries as the governments refused to give their approval for the projects.⁴⁸ This tendency even becomes stronger between 2002 and 2005, as the EU kept having difficulties by promoting CSOs in Syria, Tunisia, and Algeria.⁴⁹ Consequently, the EU did not fully contribute to the development of a civil society that can control the state, one of the main functions of a civil society.

⁴³ Bicchi, *supra* n. 41, 71.

⁴⁴ European Commission, ‘The European Instrument for Democracy and Human Rights (EIDHR): Compendium January 2007–April 2009’, <http://ec.europa.eu/europeaid/what/human-rights/documents/eidhr_compendium_en.pdf>, 13 Dec. 2010.

⁴⁵ Volpi, 2004, *supra* n. 18, 1066.

⁴⁶ G. Crawford, ‘European Union Development Cooperation and the Promotion of Democracy’, in *Democracy Assistance: International Co-operation for Democratization*, ed. P. Burnell (London: Frank Cass, 2000), 117.

⁴⁷ Bicchi, *supra* n. 41, 71.

⁴⁸ N. Karktuli & D. Bützler, ‘Final Report: Evaluation of the MEDA Democracy Programme 1996–1998’ (Brussels, April 1999), 34; Crawford, *supra* n. 46, 107.

⁴⁹ Bicchi, *supra* n. 41, 70.

Second, besides support for CSO working on human right issues, one can notice an evolution towards support for CSOs under the EIDHR that contribute to the promotion of good governance and the fight against corruption.⁵⁰ In 2003, Youngs noticed that ‘European donors have moved towards designing civil society assistance around concrete social and economic concerns and have recognized the need further to explore the relationship between democracy and economically oriented capacity-building programmes’ (which are characterized by a neoliberal view, see *supra*).⁵¹ This relationship is nowadays defined as the support for ‘good governance’ and is clearly noticeable in the relations with the southern Mediterranean partners. The Commission Communication on ‘Reinvigorating EU Actions on Human Rights and Democratisation with Mediterranean Partners – Strategic Guidelines’ states that ‘the strengthening of the capacity of the civil society organizations will be based on concrete, result oriented activities in one of or more of the following fields: freedom of expression and association, the rights of specific groups, but also good governance and the fight against corruption’, which is repeated in the EIDHR documents.⁵² This is also noticeable in the financial assistance of the EU to the southern Mediterranean partners under the EIDHR. The most important regional project financed under the EIDHR between 2007 and 2009 was ‘Equipping civil society to combat corruption in the Arab world’. The project’s main objective was ‘to equip Arab civil society to combat corruption, give it relevant tools and empower it to influence reforms in policies that would promote transparency and accountability in government and business. The target groups are CSOs currently or potentially active in anti-corruption, the private sector, government, professional associations and the general public in the Arab region’.⁵³ This is also the case in the MEDA programme, where Tanja Börzel found that ‘strengthening of the civil society (in the southern Mediterranean countries) is first of all a matter of increasing effectiveness (of public authorities and administrative bodies) rather than of democratic participation’.⁵⁴

However, this means that the EU thus increasingly promotes a civil society that contributes to the legitimization of the *neoliberal* state through its civil participation. As one of the main tasks of the civil society is to identify public problems and pass them on to the state, the EU mainly promotes CSOs that deal with anti-corruption and good governance as ‘public problems’.⁵⁵ There is almost no focus on social problems. In the southern Mediterranean countries, however, this task is

⁵⁰ T. Börzel, ‘Transformative Power Europe? The EU Promotion of Good Governance in Areas of Limited Statehood’, paper given at the ERD Workshop, ‘Transforming Political Structures: Security, Institutions, and Regional Integration Mechanisms’ (Florence, 16–17 Apr. 2009), 34.

⁵¹ Youngs, 2003, *supra* n. 42, 137.

⁵² European Commission, Reinvigorating EU Actions on Human Rights and Democratisation with Mediterranean Partners, COM (2003) 294, 18.

⁵³ *Ibid.*, 63.

⁵⁴ Börzel, *supra* n. 50, 25.

⁵⁵ Merkel, *supra* n. 7, 47.

often taken on by religious organizations and then mainly Islamic movements: They find public social problems, they absorb them, but instead of passing them on to the state, they provide public goods themselves. This evolution is strengthened by the neoliberal interpretation (by both the authoritarian regime and international donors) of the tasks of the state: It is not the main task of the state to provide these public goods. Although these Islamic movements play an important role in southern Mediterranean societies, until now, the EU has not engaged with them in its policy towards the southern Mediterranean partners, because it feared that this might provoke instability and because of the ideological positions of these movements.⁵⁶ There are several elements that are seen as problematic. First of all, these religious organizations strongly promote the positive notion of liberty as defined in the theoretical framework above, and therefore, ‘they blur the distinction between the public and the private that is central to the functioning of contemporary liberal democratic institutions’.⁵⁷ Moreover, these movements challenge the separation between state and church/mosque, which is also central to the western and liberal view on democratization.⁵⁸ Second, some of these movements strongly resist the neoliberal evolution in their country, which is perceived as ‘westernization’. In their resistance against this ‘westernization’, we see, in some cases, the derailment of the notion of positive liberty: the evolution to a rational view on liberty, where people are free if they live according to rules that are seen as objective (because they are given by a higher power) and, therefore, the only rules to follow. This limits negative freedom of others and undermines their democratic potential. However, Volpi pleads for the examination of the democratic potential of Islamic movements. With the recent developments in the region in mind, this can provide new insights on how to reach a democratic society in the southern Mediterranean countries.⁵⁹ In conclusion, the above shows that the EU’s promotion of the civil society is rather problematic: It is not stimulated to fully fulfil its main tasks – the control of the state and the absorption and passing on of public problems. The contribution of the EU to the development of negative and positive liberty in the region was therefore very limited.

V The Arab Spring and Its Implications for the EU’s Democracy Promotion in the Region

As mentioned above, the lack of equality and of liberty are the root causes for the protests and revolutions today in the region. The high food prices, unemployment,

⁵⁶ F. Volpi, ‘Political Islam in the Mediterranean: The View from Democratization Studies’, in Pace & Seeberg (eds), *supra* n. 3, 29.

⁵⁷ Volpi, 2004, *supra* n. 18, 1066.

⁵⁸ Volpi, 2009, *supra* n. 56, 31.

⁵⁹ *Ibid.*

poor living conditions, unemployment, corruption, and the lack of liberty inspire the Arab people in a quest for more democracy. Following these events, the EU started to reflect on how it can contribute to the evolution towards democracy in the region. In March 2011, the European Commission published a communication 'A Partnership for Democracy and Shared Prosperity with the Southern Mediterranean'. This communication was followed by a review of the ENP 'A New Response to a Changing Neighbourhood' presented by the European Commission in May 2011. In the latter, the Commission emphasizes that it wants to support the establishment of 'deep democracy' in the Mediterranean region. Catherine Ashton confirmed that the EU should go further than only promoting 'surface democracy', that is, the organization of elections in the region.⁶⁰ Has the EU changed its view on the relation between the market and the state and the relation between the state and the civil society? Does the EU now try to promote 'deep democracy', that is, a full or broad liberal democracy agenda?

Regarding the relation between the state and the market, it is clear that the main goal of the EU is still economic liberalization and that the support for the state apparatus is still mainly meant to enhance the functioning of the market. In this regard, the Commission mentions that it already supports public administration reform, but that in order to enhance the fight against corruption and illicit financial flows, these programmes should also target transparency and accountability in public administration.⁶¹ In addition, the EU now states that it wants to help '(...) reducing social and regional inequalities, creating jobs for their workers and higher standards of living for their people'.⁶²

However, it remains to be seen how the EU will implement these goals and if this will lead to a fairer distribution of the material and cognitive resources of the society. Furthermore, the support for the judiciary is mentioned as an important element of 'deep' democracy.⁶³ However, the judiciary should not only be independent in matters of commercial law but also be independent from the regimes, in order to create a true system of checks and balances. From these documents, it is not clear if this will be supported. In addition, it has to be noticed that the EU now wants to give more attention to elections. It states that 'a commitment to adequately monitored free and fair elections should be the entry qualification for the partnership' (for democracy and shared prosperity).⁶⁴ In Tunisia, the EU supported the drafting of an appropriate legal framework for the organization of elections and sent an EU Election Observation

⁶⁰ A. Niang, 'Ashton Supports "Deep Democracy"', *Agence Europe*, 12 May 2011, 4.

⁶¹ European Commission & High Representative, A Partnership for Democracy and Shared Prosperity, COM (2011) 200.

⁶² European Commission & High Representative, A New Response to a Changing Neighbourhood, COM (2011) 303.

⁶³ *Ibid.*

⁶⁴ European Commission & High Representative, A Partnership for Democracy and Shared Prosperity, *supra* n. 61.

Mission.⁶⁵ In the case of Egypt, the EU will await a request of the authorities, but the Supreme Council of Armed Forces (SCAF), which is now in charge, already announced that it will not allow international observers to monitor the elections.⁶⁶

Regarding the relation between the state and the civil society, the EU now wants to provide more support to the civil society. In addition to the already existing instruments (the EIDHR but also dialogue and parliamentary cooperation), the EU will create a Civil Society Facility, an additional budget line to support CSOs. However, the main instrument of the new strategy will probably be the 'European Endowment for Democracy', an organization that is meant to support political parties, non-registered CSOs or trade unions, and other social partners. It remains to be seen which CSOs will be supported and, thus, if the content of the EU's policy will change. It is not sure whether the EU will, in the future, focus more on the promotion of political rights and social standards. In the text, the Commission further emphasizes that 'civil society plays a pivotal role in advancing women's rights, greater social justice and respect for minorities as well as environmental protection and resource efficiency' and that this 'greater political role' should be supported. There is no reference to political rights, only to 'greater social justice', but not to Islamic movements that are playing an important role in addressing social problems.⁶⁷ In order to know whether the EU's policy has really changed, we will have to await the implementation.

VI Conclusion

This article has examined the substance of the EU's democracy promotion in its southern neighbourhood within the framework of the EMP/UfM and the ENP. We argued that it is especially important to take a look at the 'external' conditions of a democracy because the relation between the state, the civil society, and the market (the democratic triangle) is important to reach equality and liberty, two core values of democracy. It is found that the EU has a (neo)liberal view on the democratic triangle. Economic liberalization is the main goal of the EU's policy in the region and both the state (the executive power and the judiciary) and the civil society are stimulated to support the functioning of the free market. Political and civil rights and horizontal separation of powers, defined as the core elements of a democracy, are mainly supported if they contribute to the functioning of the market. The EU paid limited attention to elections. Economic liberalization can be considered as the policy paradigm of the EU for the whole

⁶⁵ *Ibid.*

⁶⁶ Democracy Digest, 'Egypt's Military Rejects Foreign Election Monitors', <www.demdigest.net/blog/2011/07/egypts-military-rejects-foreign-election-monitors/>, 11 Aug. 2011.

⁶⁷ European Commission & High Representative, A New Response to a Changing Neighbourhood, *supra* n. 62.

region. In that sense, the EU follows a kind of one-size-fits-all scenario towards all southern Mediterranean countries. The EU focuses on the promotion of the context conditions, and its policy can, therefore, be qualified as promoting a 'shallow' liberal democracy agenda, defined as 'good governance'. It does so for two reasons. First, economic liberalization is in the long run in the economic interest of the EU. Moreover, the EU believes that enhanced economic interdependence will lead to more stability and thus security, which is also in the interest of the EU. Second, it is convinced that economic liberalization will lead to economic development and thus to democratization. However, we argued in this article that the EU's focus on economic liberalization, that is, its preoccupation with the market, has contributed to growing economic and political inequality in the countries of the region. Moreover, the EU did not sufficiently promote negative and positive liberty in the region. Eventually, it is exactly these two elements, the lack of economic and political equality and the lack of liberty, that are the root causes for the protests and revolutions today in the region. It remains to be seen whether the adjusted neighbourhood policy will change this.