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PRIORITY 7: Citizens and Governance in a Knowledge Based Society

DELIVERABLE NR. 7 – ISTANBUL CONFERENCE REPORT

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PP	Restricted to other programme participants (including the Commission Services)	
RE	Restricted to a group specified by the consortium (including the Commission Services)	
CO	Confidential, only for members of the consortium (including the Commission Services)	

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1. Executive Summary / Abstract

The GO-EuroMed project consortium held its first-term review conference in Istanbul from January 31st to February 3rd, 2007. The meeting was hosted by Sabanci University. The location was Sabanci University Campus and Karakoy Communication Center.

The conference was attended by Consortium participants, as well as scholars from Turkey, journalists and general public.

There was agreement that there is tremendous potential in this subject-area to make an impact, both in terms of scientific research and in terms of policy. Participants expressed confidence in each other, in the coordinator, and in the project as a whole.

As is the case with beginning most complex enterprises, there remain matters that require attention. There is a need for the GO-EuroMed consortium to prioritize issues in some areas (particularly security) where the scope is enormous. The consortium must also work on common methodological approaches, particularly in the trade and investment working packages where several different approaches to economic issues were evident. However, there was general agreement that these issues would be overcome through ongoing communication, interaction and cooperation between the project partners.

The GO-EuroMed consortium would like to thank the European Commission Directorate-General Research for their generous support for this project under the 6th Framework Programme. The Consortium also extends its appreciation to the staff of Sabanci University, whose hospitality made this event a pleasure for all concerned.

2. Conference Programme

2.1. Programme

Istanbul Conference Programme, Jan. 31st - Feb.3rd 2007

Date/Time	Activity
<u>Wednesday 31.01</u>	<u>Arrival of participants</u>
19.00	Welcome Dinner
<u>Thursday 01.02</u>	<u>GO-EuroMed Working sessions</u>
10:00 – 10:15	Welcoming remarks by Prof. Cemil Arıkan – Research and Graduate Policies Center
10:15 – 10:30	Mark Furness: <i>GO-EuroMed – Achievements and Perspectives</i>
10:30 – 11:00	Consortium comments and remarks
10:30 – 11:30	Mark Furness: <i>GO-EuroMed Key research issues for 2007 – An introduction</i>
11:30 – 12:15	Session 1 / Working Package 6: Chair Alfonso Rincón Prof. Bahri Yilmaz: <i>The Impact of EU Enlargement on the EMP</i> Discussants: Poland, Lebanon
12:15 – 13:00	Session 2 / Working Package 7: Chair Mr. Jamil Mouawad Prof. Ahmed Driouchi: <i>Domestic Reform in Mediterranean Partner Countries</i> Discussants: France, Poland, Egypt
13:00 – 13:45	Session 3 / Working Package 8: Chair Prof. Katarzyna Zukrowska Dr. Ibrahim Saif: <i>Regional Integration in the MENA</i> Discussants: Germany, Lebanon
13:45 – 15:00	Lunch
15:00 – 15:45	Session 4 / Working Package 9: Chair Pablo Gàndara Prof. Thierry Baudassé: <i>New challenges for Demography, Migration and Culture in the MENA</i> Discussants: Spain, Morocco
15:45 – 16:30	Session 5 / Working Package 10: Chair Dr. Isabelle Rabaud <i>Geopolitical Change in the MENA</i> Discussants: Germany, Spain, Turkey, Jordan
16:30 – 17:00	Pablo Gàndara: <i>GO-EuroMed Key research issues for 2007 – A Summary</i>
17:00	End of the first day of Conference
19.00	Dinner

<p><u>Friday 02.02</u></p> <p>09:00 – 09:30</p> <p>09:30 – 09:45</p> <p>09:45 – 11:30</p> <p>11:30 – 12:00</p> <p>12:00 – 13:30</p> <p>13:30 – 13:45</p> <p>13:45 – 15:00</p> <p>15:00 – 17:30</p> <p>19.00</p>	<p>General conference: <u>What’s at stake in the EMP’s Second Decade?</u> (at Sabanci University’s Karakoy Communication Center)</p> <p>Welcoming remarks by Prof. Ahmet Evin – Istanbul Policy Center at Sabanci University</p> <p>Introduction by Mark Furness, Jean Monnet Center of Excellence, Freie Universitaet Berlin</p> <p>Keynote panel: Turkey’s role in the Euro-Mediterranean Partnership Moderation: Prof. Bahri Yilmaz (Sabanci University)</p> <ul style="list-style-type: none"> • Speech by Ambassador Bozkurt Aran, Ambassador, Ministry of Foreign Affairs, Turkey • Panel discussion on Turkey and the EMP <ul style="list-style-type: none"> ○ Panelists: Prof. Kemal Kirişçi (Chairman JMC at Boğaziçi University, Istanbul), Prof. Katarzyna Zukrowska (Warsaw School of Economics), Prof. Sema Kalaycioglu (Isik University, Istanbul) ○ Questions and comments from the audience <p>Coffee-Break</p> <p>GO-EuroMed panel Moderation: Prof. Ahmed Driouchi (Al-Akhawayn University Morocco)</p> <ul style="list-style-type: none"> • Pablo Gandara on GO-EuroMed’s Key Stage 1 Findings and Perspectives • Comments: <ul style="list-style-type: none"> ○ Dr. Ibrahim Saif (CSS Jordan) on challenges for MPC’s ○ Prof. José María Beneyto (CEU Spain) on challenges for MPC’s • Panel Discussion with GO-EuroMed Consortium members • Questions and comments from the audience <p>Closing remarks by Prof. Bahri Yilmaz</p> <p>Reception and Lunch</p> <p>GO-EuroMed Family Discussion</p> <p>Closing Dinner</p>
<p><u>Saturday 03.02</u></p> <p>10:00 – 16:00</p>	<p><u>GO-EuroMed closing session</u></p> <p>GO-EuroMed plenary session in Istanbul and cultural event</p>

2.2. List of Participants

n°	Last Name	Name	Institution
1	Yilmaz	Bahri	Faculty of Arts and Social Sciences, Sabanci University, Istanbul, Turkey
2	Ozturk	Ezgi	Faculty of Arts and Social Sciences, Sabanci University, Istanbul, Turkey
3	Oktay	Sibel	Faculty of Arts and Social Sciences, Sabanci University, Istanbul, Turkey
4	Saif	Ibrahim	Center for Strategic Studies, University of Jordan, Amman
5	Omet	Ghassan	Center for Strategic Studies, University of Jordan, Amman
6	Haddad	Saleem	Center for Strategic Studies, University of Jordan, Amman
7	Buge	Max	Jean Monnet Centre of Excellence, Freie Universitaet Berlin, Germany
8	Gandara	Pablo	Jean Monnet Centre of Excellence, Freie Universitaet Berlin, Germany
9	Salhi	Alexander	Jean Monnet Centre of Excellence, Freie Universitaet Berlin, Germany
10	Furness	Mark	Jean Monnet Centre of Excellence, Freie Universitaet Berlin, Germany
11	Estevez	Lucana	Institute of European Studies, Universidad San Pablo, Madrid
12	Argerey	Patricia	Institute of European Studies, Universidad San Pablo, Madrid
13	Rincon	Alfonso	Institute of European Studies, Universidad San Pablo, Madrid
14	Beneyto Perez	Jose Maria	Institute of European Studies, Universidad San Pablo, Madrid
15	Moawad	Jamil	Lebanese Center for Policy Studies, Beirut, Lebanon
16	Zukrowska	Katarzyna	Warsaw School of Economics, Poland
17	Galek	Aleksandra	Warsaw School of Economics, Poland
18	Czerpak	Pawel	Warsaw School of Economics, Poland
19	Hussain	Magda	Warsaw School of Economics, Poland
20	Gracik	Malgorzata	Warsaw School of Economics, Poland

21	Stryjek	Joanna	Warsaw School of Economics, Poland
22	Driouchi	Ahmed	Al Akhawayn University, Ifrane, Morocco
23	Unan	Elif	University of Orléans, LEO, France
24	Baudasse	Thierry	University of Orléans, LEO, France
25	Rabaud	Isabelle	University of Orléans, LEO, France
26	Lavialle	Christophe	University of Orléans, LEO, France
27	Kirisci	Kemal	Bogazici University, Istanbul, Turkey
28	Kalaycioglu	Sema	Isik University, Istanbul, Turkey
29	Aran	Bozkurt	Ambassador, Ministry of Foreign Affairs, Turkey

3. Conference Preparation

Preparations for the Istanbul Conference started in September 2006. Partners agreed to hold the conference in early 2007, between January 31st and February 3rd.

Working Package coordinators were asked to prepare a presentation of their working plan for each topic - what the core issues are, which research questions should be addressed, and what methodological approaches should be taken during the project's first year. The other members of each Working Package were asked to act as discussants in these sessions, providing their input and outlining the issues they would like to tackle within the brief of the Working Package Descriptions. Finally, all GO-EuroMed consortium members were asked to prepare comments in order that agreement on the precise content and methodology for the 2nd year's research could be reached. They planned to spend the first day on Sabanci University campus, where they would decide for the next year's packages.

For the second day, the host institution decided to hold the General Conference at Karakoy Communication Center, which is Sabanci University's downtown hub. This was beneficial for the principles of the conference, one of which was to publicize its progress. Members decided that the conference would be composed of a panel and open floor discussions as well as the coordinator institution's address about the key findings of stage 1.

1. Working Package Sessions

4.1 EU-Enlargement

Session 1 / Working Package 1: Chair Alfonso Rincon

Coordinator: Sabanci University

Discussants: France, Turkey, Egypt

Friday, 17.02, 10:30h-11:10h

I. Presentation

Ms Sibel Oktay from Sabanci University presented her outline of the working paper as below.

The aim of this paper is to evaluate the positive and negative political impacts of the European Union enlargement over the Euro-Mediterranean Partnership.

For this objective, the paper will concentrate on two specific issues: First it will analyze the impact of 2004 and 2007 enlargements on the European Union mechanics as well as its partnership with the Mediterranean countries and second, it will speculate about the impact of possible Turkish membership over the progress and future of the EMP.

The 2004 enlargement invited a new terminology to European Union studies: “enlargement fatigue”. This is not only central for the future appreciation and integration of newly member countries but more importantly, it has profound implications over the future of European Union policies and its foreign policy, in particular. The paper, by concentrating on 2004 and 2007 enlargements, will try to see whether this so-called enlargement fatigue has any impact on the progress of EMP by looking at qualitative and quantitative data.

Another fact that came along with these most recent enlargements is that the center of balance in the Union has shifted from Western Europe to the East. The newly member countries are mostly situated along the eastern border of Europe, which makes the EMP problematic for the EU. This is for two reasons: 1). These new member states regard Mediterranean as a “distant sea” and therefore have no direct interest in involving in such a project¹ and 2). Although there is a certain level of indifference toward MPCs, these new member states still do feel that countries which are dedicated to their European vocation (and in this context they are the MPCs) should eventually be anchored to the Union as full members.² This, of course, points to a more acute problem about the EMP – its objectives – which can also be discussed throughout the paper.

¹ Although these 12 new members are small in size, they are still big in number to outbalance the rest of the constitutents.

² Geoffrey Edwards, *The New Member States and the Making of EU Foreign Policy*, *European Foreign Affairs Review* Vol. 11 (2006). pp. 143-162.

This is certainly not what the European Union members have in mind, though.

These enlargements do, however, make the EMP an asset for countries such as Spain, Italy and Turkey – all of which are Mediterranean countries. The center being shifted, member countries such as Spain and Italy tend to push the Mediterranean dimension both to re-structure the balance and to gain more influence in the making of EU Foreign Policy. An example is their support for Turkish membership. This brings the paper to the second part, where the effect of Turkish membership over the EMP will be discussed.

Turkey is a crucial country for the EMP. It already has long-lasting bilateral relationships with the MPCs, which can be a useful resource for the future of EU Foreign Policy. Turkey also aims to provide the region with a negotiation platform for the Arab-Israeli rivalry and therefore become a central player in the region both for Europe and the Mediterranean regions. Turkish membership can be an asset for the EMP in the sense that Turkey can be promoted as a model and a negotiator for the region at the same time, which would result in the MPCs being anchored to the EU via the political initiatives of Turkey-as-EU member state. The paper, based on current and historical information, will present scenarios about whether Turkish membership can drive the EMP forward as argued above, or will simply be a null factor in the process.

II. Comments

Following the presentation, comments and questions from the partners were concentrated especially on:

- Economic dimension of enlargement
- Perceptions and public opinion in Turkey regarding its EU membership
- New actors coming into the scene, which might shift the focus and have practical consequences over decision-making and policy outcomes such as fund allocation, etc.
- Lobbying and policy advocacy in the EU following the enlargement waves.
- What kind of EU do the members want for the future?

4.2 Domestic Reform

Session 2 / Working Package 2: Chair Mr Jamil Mouawad

Pawel Czerpak, Malgorzata Gracik: **The Political Economy of Euro-Med Investment**

Discussants: France, Jordan

Friday, 17.02, 11:40 – 12:20

I. Presentation

Professor Ahmed Driouchi gave an extensive plan for this Working Package. He first stated that they have enough data at hand, gathered by institutions which describe most of the variables the Package will deal with. He also made sure that they were not dealing with impact analysis but rather about what the situation of reforms in partner countries looks like. Saying that the team had made preliminary agreements over whose doing what, he moved on to the outline of their work.

Prof. Driouchi stated that they will be looking at reforms which are interdependent and characterized such as fiscal, economic and social reforms – what these reforms are, how the reforms have evolved in relation to their impact on partner countries and also whether we can calculate their impacts qualitatively and/or quantitatively will be some of the questions they will seek answers for. New ways of making impacts on the economy and prosperity of the countries will be sought and evaluated.

The team will work on the basis of stages such as one stage concentrating on the analysis of reforms, such as finding answers to the results of implementation. Another stage will concentrate on the impacts of reforms. This will utilize the databases, mainly starting from 1995 data. Looking at traditional economic variables, political or social variables will give clues about whether the reforms had an impact or not. The final stage will be about future prospects. At this stage, the team looks for the contribution of other consortium partners.

Prof. Driouchi concluded that knowledge processes will be central for this Working Package.

II. Comments:

Comments and questions regarding Prof. Driouchi's presentation concentrated on the following:

- Problems of reform in labor markets and their regulation
- The relationship between political liberalization and economic liberalization should be emphasized – which one comes first?
- Economic elite still does not have a say in politics, which stalls both liberalizations.
- What we mean by political reforms should be clarified. What about international institutional ties? Institutional problems inside and institutionalization of external relations also matter.
- Impacts upon competitiveness should also be measured.
- Has economic liberalization created a new middle class? How does/would such an emerging class impact political liberalization?
- The question is whether the reform is a domestic initiative or crisis driven or externally imposed.

- Political assistance for economic reform should be emphasized.
- We can come up with a set of indicators which can evaluate how countries advance in reforms and how the reforms advance along time. With such a ranking, it is easier for the Commission to deal with these countries.
- We have to solve out the problem of discrepancy between national and international measurement. But to achieve this we need more time to re-do the data collection and necessary measurements.
- It might be useful to look at micro-level/country-level reform measures. Did the reform meet its expectations, if not, why not? Concentrating on the “why not” will enable us to really compare the differences between countries.
- The topic is too complex and wide to narrow down in such short time. We should be aware of it.

4.3 Regional Integration

Session 3 / Working Package 3: Chair Prof. Katarzyna Zukrowska

Dr. Ibrahim Saif: **Regional Integration of the MENA**

Discussants: Spain, Tunisia

Friday, 17.02, 12:20h – 13:00h

I. Presentation

Dr. Saif stated that they try to review the existing status and plan to suggest a functionalist structure for the Working Package. Their assumption is that regional integration has failed and they build their arguments upon this assumption. They will provide recommendations with which the Union can push integration forward.

The WP will partly concentrate on the reason why regional integration has, thus far, failed and will ask the question whether MENA can be understood as a region beside a geographic area. Structural obstacles which stand in front of regional integration will also be assessed. Another point to discuss will be the socio-economic differences between Arab countries which jeopardize integration economically. The lack of diversified export causes lack of product differentiation, as well as the domination of oil in Persian Gulf economies, which all lead to such socio-economic differences, will be argued. Factor movements are also a point to tackle for the team. They argue that such flows undermine trade within the region. Promotion of factor movement is a bitter way of reaching integration, they say, and that this is neglected even in the literature. Another obstacle against regional integration, they argue, is institutional. Weak institutional infrastructures in banking, communication and transport are detrimental to such integration.

The second section will deal examine the impact of the EMP on the structure of MENA economies and intraregional trade. The EMP is designed to complement rather than

supplement the Barcelona Process, says the Commission. The role of the EMP in this regard, whether it is compatible with Arab integration, will also be questioned in the WP.

The final section will put together a coherent conclusion and provide policy recommendations regarding regional integration.

II. Comments

Comments and questions for this session were as follows:

- We have to wait for Lebanese contribution to finalize the Working Package.
- How can the EMP foster energy transport via more efficient policy formulation and implementation? Trade and energy are two vehicles for regional integration, both within MENA and Euro-Med.
- We cannot reduce regional integration to energy. We can utilize energy while explaining integration but cannot load everything on it. We should also talk about factor movement and services.
- We should start with common interests and sensitivities of countries.
- We should also calculate the border effect – barriers which are not necessarily economic should also be taken into account.

4.4 Demography and migration

Session 4 / Working Package 4: Chair Mr Pablo Gandara

Prof. Thierry Baudasse: **New challenges for Demography, Migration and Culture in the MENA**

Discussants: Jordan, Tunisia

Friday, 17.02, 14:30h – 15:10h

I. Presentation

The team, under the coordination of France, will deal with the problem of demography and assess the changes expected in demographic evolution in the north and south. The problem of gender issues will also be tackled. Gender, cultural values and religion will be other concepts upon which the Working Package will concentrate.

II. Comments

Comments and questions on this session were:

- The issue of remittances, we need reliable data to measure it.

4.5 Geopolitical issues

Session 5 / Working Package 5: Chair Dr. Isabelle Rabaud

Mark Furness: **Geopolitical Challenge in the MENA**

Discussants: Poland, Egypt

Friday, 17.02, 15.10h-15:50h

I. Presentation

Since Prof. Gamal Soltan was unable to attend this meeting, Mark Furness outlined what shall be done in this Working Package. Influences of corruption, peace process, demographic change and economic development are some of the topics to be discussed in this Package. Mr Furness proposed that each partner can focus on individual factors in depth and we can put them together.

He also emphasized that the research needs a theoretical framework. We can employ some IR theories for the WP. The work will focus on the role of external actors such as the U.S, Iran, Russia and China. Comparative analysis of the U.S and EU towards the region will also take place in the paper. Analysis of Mediterranean viewpoints as well Israel, Iran, Syria, Egypt and Turkey will be included as well.

Mr Furness stated that differing viewpoints can be useful to understand the region, and that institutional outcomes are central for our conclusions. Nevertheless, consortium members decided to talk about this WP once Gamal Soltan presented the final road map.

Mr Serdar Yilmaz from the Turkish team has prepared an outline for the WP, which can be found below.

The purpose of this paper is to analyze qualitatively the major geopolitical developments and dynamics that bear the potential to shape the geopolitical context in the MENA and, consequently, the progress of the Euro-Mediterranean Partnership (EMP). After identifying the main geopolitical challenges that the EMP framework of relations and institutions will have to confront in the years ahead, the paper will, more or less, adopt a case-oriented focus on the substantial impacts of these challenges on stability, security and prosperity in the region. The core idea of this paper is that it will ultimately be the differing perceptions and priorities of the countries involved vis-à-vis this geopolitical context that will determine the direction and success of the EMP at the end of the day.

When examined from a cross-regional strategic perspective, certain geopolitical developments and dynamics in the Transatlantic, Eurasian and African contexts emerge to constitute several focal points around which the Mediterranean Partner Countries (MPCs) and the major external players tend to shape their policy objectives in line with their perceptions and priorities, both unique and similar. For example, the overall quality, content and ramifications of the relationship among external players—particularly between the EU and the US after 9/11—may be reflected in mutually-conflicting or harmonic strategic interactions with regard to the MENA. On the other hand, mainly as a result of different levels and forms of “path-dependency” within and between the Western democracies³ and the MENA countries, geopolitical developments inevitably put different constraints on, and resonate differently in the

³ It is certainly beyond the scope of this paper to address the issue of what democracy means, or whether certain Western or MENA countries qualify as democracies. Therefore, the use in this paper of the noun “democracy” by itself or together with such adjectives as “liberal” vs. “illiberal” is not normative but simply distinctive.

minds of, the latter. Therefore, the parties' perspectives on the meaning, value and implications of collective institutional arrangements like the EMP differ considerably.

Likewise, the pervasive ethno-religious violence and the course of the state-building efforts in the post-Saddam Iraq, the clashing interests of the Maronite and the Shi'a in Lebanon, Iranian efforts to go nuclear, or the rise of religious radicalism worldwide, convey different ramifications in terms of molding the MPCs' perceptions, especially regarding the outcomes of the policies of the Western world towards the region and the implications of these policies for their own internal dynamics. It should be noted that the socio-political culture, composition and structure of the MPCs generally display a reflected image of certain common patterns across the broader regional environment. The MPCs, therefore, tend to develop a divergent, contradictory and sometimes inconsistent outlook on the geopolitical context in comparison to that of the EU and the US. This paper will aim to address the underlying basis of incentives that lead to this diversity in the perception of geopolitical developments and dynamics.

Another important point of the paper will be that the priorities of the EU with regard to the purpose of the Euro-Med framework of relations must be identified and interpreted clearly and honestly. Although specifically indicated in a variety of official EU documents and declarations, it must be re-emphasized, and accordingly translated into concrete policy action, that the inspiration behind the Barcelona Process is not to prepare the MENA countries for eventual membership in the club. No matter how selfish and cynical it may sound, the rationale for the EMP is to promote security, stability and sustainable development along the southern and eastern part of the Mediterranean, which would in turn cushion the upper side of the Mediterranean against the endemic disequilibrium and volatility likely to arise in these regions. This issue will be addressed in the context of promoting "liberal democracy" vis-à-vis promoting "stateness" in the MENA. Therefore, being able to shape and entrench this understanding, and accordingly direct the hard- and soft-power resources available to the EMP, will be a fundamental factor that will determine the efficient evolution of the EMP within the fluid geopolitical context of the new century.

II. Comments

Comments and questions for this session were as follows:

- The relations of the U.S with Spain and Morocco – how do these affect the relations between the EU and Morocco? How do these four actors interact?
- Geopolitics can overlap with domestic reform.
- There is almost a consensus that without resolving the Arab-Israeli issue, coordination in security is almost impossible.
- State-building is an important aspect of security maintenance in the region.
- Religious conflicts, such as those between Shi'a and Sunni populations should be taken into account as well.
- Concentrating on external actors is yet to be decided.

5 Key note panel:

The second day of the conference began with a keynote panel on Turkey's role in the Euro-Mediterranean Partnership. Speakers for the panel concentrated on Turkey's critical role in regional migratory flux, economic cooperation as well as security and cultural dimensions of Turkey's EU membership towards the Euro-Med partnership.

6 GO-EuroMed panel

Mr Pablo Gandara presented the audience the key findings for the Go-EuroMed Project's first year achievements.

7 GO-EuroMed Family Discussion

At this stage of the Conference, consortium members discussed the following items:

1. Whether the produced materials are being / have been presented in other settings other than project meetings.
2. How the produced material will be published? In what kind of a format will that be?
3. Project website updates.
4. Dates for the next workshop to be held in Amman in Spring 2007.

8 Picture Gallery







