

EUROPEAN CONCEPTS FOR THE MEDITERRANEAN REGION

· Alienated neighbours, partners
or a 'mare nostrum'?

by

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This paper argues:

1. In view of the economic and political changes that Western Europe is undergoing, it will reflect about the relationship with the countries of the Mediterranean area. The economic crisis, the deterioration of the détente climate and the prospects of the southern enlargement of EC make it imperative that the West European countries define their interests and check if their instruments and policies are adequate to solve the Mediterranean problems. Approaches to a new policy will have to include efforts to deal with political and economical as well as social and cultural differences, and to insure security means.
2. There is no clear cut Mediterranean group of countries which would form a coherent group and which could lead to a nonambiguous policy strategy.
3. The Mediterranean area is not an area of first priorities for the EC. In case the West Europeans do not tackle the Mediterranean problems adequately, the nuisance value is high, however. The Mediterranean policy should thus not be dealt with independently but as an integrated part of an overall West European Foreign policy.
4. The common or coordinated policies which the Europeans have employed so far via their "Global Mediterranean Policy", the Euro-Arab dialogue (EAd), and concerted diplomatic acts through the European Political Cooperation (EPC) have shown limited effects. They stabilized the status quo, but basic changes in the relationship were not induced.

5. In view of the new challenges and in view of the shortcomings of the present policies the search for an adequate policy advice should be intensified. For this purpose we need to raise some principal questions, as quite a lot of proposed options for a new European Mediterranean policy are based on unrealistic assumptions and/or will induce negative effects. This paper (like the latest paper of the Commission) will therefore discuss fewer details than general options.
6. For an adequate concept of the future Mediterranean policy we should stress less a global and balanced approach but a strategy of diversification among the southern and eastern Mediterranean countries.

1. Introduction: The political claims

As basic pillars of the post-war system are being eroded Western Europe - and especially the Ten member countries of the EEC - are becoming more aware of the growing international challenges. As consequence they "seek increasingly to shape events" in the international system.¹⁾ Since the early seventies the European Community and its member countries - in the following shortly EC - have claimed at various occasions and in different forms that "Europe" has to establish a "European Identity" in world affairs.²⁾ In these declarations the EC has elaborated carefully drafted principles to indicate European interests and the political values which it wants to follow. Political parties, the fractions in

the European Parliament, social forces and academic circles have contributed to a debate which is, however, far from leading to a West European foreign policy consensus or only some form of clear policy alternatives. The discussion on the international role of the "EC" is quite often fragmented separating artificially problems from each other and attributing priorities to just too many arenas and questions.

As to the Mediterranean problems the "EC" has attributed "essential importance ... to the fulfilment of its commitments to the countries of the Mediterranean Basin".³⁾ The EC-Commission has recently stressed that the "Mediterranean is an area of considerable importance to which the Community, for historical and geographical reasons is in a unique position and has responsibilities it cannot shirk".⁴⁾ To secure peace in Europe as well as to stabilize trade flows the Community has to contribute to the solution of conflicts in northern Africa, the eastern Mediterranean and the Middle East.⁵⁾ "Europe must play its rightful role on the international scene and particularly in the Mediterranean. To assert its presence and strengthen its identity, the Community must equip itself with the instruments of diplomacy and joint action which it still lacks at the level of policy and security".⁶⁾

The increasing importance of this area has also been the major motivation to start this research project and to hold this conference.⁷⁾

As the above statements are quite general this paper will raise and discuss certain basic assumptions and proposals which are put forward in relation to the Mediterranean policy: We will especially look at following questions:

1. What are the historical developments of the "EC" Mediterranean policy? Have the seventies or the early eighties brought significant changes for an "EC" Mediterranean policy which might outdate certain concepts?

2. What are the reasons to pursue and develop a Mediterranean policy after the southern enlargement? What are the interests behind it and closely linked with that:

3. How "vital" is the Mediterranean policy for the Community and its member countries? Do all EC countries give the same kind of priority to the Mediterranean basin?

4. Taking into account the "EC" interest, what are the basic options open to the "EC" and closely linked what kind of strategies should and could be pursued in the eighties?

2. The historical development of an "EC" Mediterranean policy: a differentiation of instruments but no major change of the economic status quo

In the relationship between the "EC" and the Mediterranean countries certain periods can be distinguished which show an increase of activities and a differentiation of instruments and policies. At the same time the agreements have mainly served to maintain basic elements of the economical and political status quo. A new division of labour was not established.

a) The first phase of Community policies

The Mediterranean area was one of the first regions to which the "young" Community turned in the early sixties.

With the Association agreements concluded with Athens in 1961 and Ankara in 1963⁸⁾ the Community developed the first formal links with third countries. These steps were motivated by general "political" interests (US-pressure included) to prevent any "decoupling" of southern European Nato members and, after the breakdown of the first membership negotiations with the United Kingdom, to soften the impression of being a "closed shop" of certain West European countries. The concept of the two Association agreements was based on the goal to integrate both countries into the Community. It was thus assumed that a rapid convergence of economic performances and structures could be achieved. In the evolution of the Association agreements, especially with Turkey, this basic notion brought significant and increasing difficulties for both sides. In the early sixties the first proposals for a more coherent approach were put forward. Especially France and Italy were interested in working out a "global" cooperation approach with countries adjacent to the southern Mediterranean (Maghreb, Libya⁹⁾). First initiatives taken by the Italian Government - the so called Moro Memorandum (1964) - and the Commission's proposal two years later failed, however.

The Greek and Turkish experiment did not serve as model for the agreements of the second phase of "EC" Mediterranean

policy - the conclusion of nine further bilateral agreements which were signed in the second half of the sixties. The treaties with Israel, Lebanon, Morocco, Tunisia, Spain, Malta, and Cyprus, as well as Egypt and Portugal were largely restricted to the establishment of preferential trade relations.

None of these agreements was geared to a membership position; some of them, especially the more important ones, served to lead from colonial times into a post-colonial area maintaining the major characteristics of the trade patterns.¹⁰⁾

In the third period, the early seventies, the Community developed the concept of a "global Mediterranean policy" guaranteeing free access for industrial products to the EEC market and facilitating agricultural exports from the Mediterranean Basin to the Community market. The setting-up of one-sided free trade agreements with all the countries bordering the Mediterranean as defined by the Council of Ministers in November 1972 took time. Until 1978, a complex network of agreements between the European Community and nearly all Mediterranean littorals (with the exception of Libya¹¹⁾ and Albania) was established.

The reasons for an increase and changing of activities indicated by this approach were manifold and are important to be remembered as some of them have changed:

In the early seventies the following Mediterranean problems and their implications on other treaties had to be solved:

- the renegotiation of the agreements with Morocco and Tunisia on an extended basis;
- the consequences of the first enlargement to Spanish and Israeli trade (both countries faced the possibility of an imminent increase in the tariffs on their agricultural products to the British market after London's entry to the Community;)
- the application of Spain, Israel and Turkey to get incorporated into the general preference system.¹²⁾

The Community itself underwent a change. With the 1969 summit in Den Hague and especially the 1972 summit in Paris the Community had developed a new action programme including the goal to strengthen its international role: "Europe must be able to make its voice heard in world affairs, and to make an original contribution commensurate with its human, intellectual and material resources".¹³⁾ This "original contribution" was soon seen in the concept of a "civilian power".¹⁴⁾

Following this concept the Community should make full use of its economic potential by establishing equal partnerships with third countries or even better with groups of third countries. By abstaining from super-power attributes like military force and by overcoming traditional colonial relationships the Community is believed to be able to become

a leading force for an evolutionary and guided change of the international system based on democratic and human values. Beside the Lomé agreement, the global Mediterranean policy was conceived to be a central part of this role as a civilian power. The evolutionary approach was realized by common elements for all treaties (free or preferential access to the EC market, financial aid, closer economic-technological cooperation) and in some instances (the Maghreb countries, Turkey, Yugoslavia) special social arrangements regarding migrant labour.¹⁵⁾ Although being restricted to economic issues the agreements with the Mediterranean countries were to fulfill also foreign policy goals of the Community:

- close economic cooperation with the "EC" should contribute to the economic and social development of the Mediterranean region and at the same time to political stability in that area;
- economic interdependence was considered to establish and maintain peace.

b) European Political Cooperation and the Mediterranean region

Beside this third phase of Community policies (in a strict sense) a new West European mechanism for coordinating foreign policies had also an impact on the Mediterranean area.

In the early seventies the former six and now ten EC-member states developed a new form of involvement in the international system: the intergovernmental cooperation procedure among the Foreign offices, called the European Pol-

itical Cooperation (EPC)¹⁶⁾ (which is distinct from the external relations of the EC based legally on the Rome Treaties). The objectives of this consultation mechanism in foreign policy issues are as formulated in the Luxembourg Report:¹⁷⁾

- "to ensure, through regular exchanges of information and consultations, a better mutual understanding on the great international problems;
- to strengthen their solidarity by promoting the harmonization of their views, the co-ordination of their positions, and where it appears possible or desirable,
- common actions."

From the beginning the Mediterranean and Middle East region was a major topic of EPC. Beside the Foreign Ministers' declarations on the Greek/Turkish conflict on Cyprus in the mid seventies, the consultations on the political developments in Portugal after the revolution and statements of the Nine concerning Spain under Franco's dictatorship and the time afterwards, the Middle East conflict was a central topic for meetings at various EPC-levels. At several occasions the Foreign Ministers of the EC adopted common positions on the most delicate points of the Middle East conflict searching a balanced approach between Arab and Israeli interests. Over the years consultations within the EPC-framework covered the situation in Lebanon and the Camp David process. In 1980 the European Council launched a declaration on the Middle East (Venice Declaration June 13th 1980), assuring

the Nine's readiness to play an active role in establishing and guaranteeing an extensive and lasting peace in the region and stressing the need for the PLO's participation in future negotiations. As in former times the European diplomacy concerning Israel and the Arab states faced strong reservations by the government in Jerusalem and more gravely by Washington.¹⁸⁾

To complete the list of EPC-activities in this region, it is necessary to mention the declarations of the Nine/Ten concerning the Iran/Iraq war since 1980 and the implications of Syria and Jordan in it. At the same time the developments in Turkey after the Generals' coup were discussed at ministerial level.¹⁹⁾

c) The Euro-Arab dialogue

Besides the global Mediterranean approach of the EEC based on (bilateral) economic measures the EC-member states combined elements of the EPC and EC-machinery to start a new form of interregional cooperation between the European Community and the member states of the Arab League - the Euro-Arab dialogue (EAd). After the United States had made it clear in 1974 that an active European role in the Arab/Israeli conflict might undermine Kissinger's Middle East policy the Nine decided to establish a long-term partnership with the Arab world leaving these questions officially aside. In order not to undermine the American plan of a joint western coordinated energy policy leading to the International Energy Agency, in 1979, the EC also excluded these questions.

In practice the exclusion of political topics proved to be artificial. From the inaugural session in Paris in 1974 up to the present the representatives of the Arab League want to lay stress on discussions about the recognition of the Palestinians and on Israel's policy since 1967.²⁰⁾ In 1980, the nine Heads of State and Government stressed the importance of the EAd "on all levels" especially the development of its "political dimensions". Since then several meetings of the 'ad-hoc group' took place to organize a conference at the level of foreign ministers. A final date has not yet been fixed because of the differences in opinion concerning the PLO.²¹⁾

The Euro-Arab dialogue constitutes a special form of diplomacy: it brings together two organizations of states, the "EC" and the "Arab League". The dialogue showed signs of progress in areas relating to industry, infrastructure, agriculture and in cultural-scientific matters. Controversial positions still exist in the opening of the EC-market for Arab products, the question of capital investment and the status of Arab guest workers.²²⁾ Future progress in economic and technical areas depends on the overall political environment in the international system and in that region.

The more the energy questions became important in the seventies the more the proposed concepts for a "Mediterranean" policy also came to include countries like Saudi-Arabia and Iran.²³⁾ Points of discussion were among others a "trialogue" between the EC, the Arab, and the African countries

as proposed by the former French President Giscard d'Estaing or Bonn's idea of cooperation agreements between the "EC" and the countries of the Persian Gulf region including Iraq, Kuwait, Bahrain, Qatar, the United Arab Emirates, Oman, Saudi-Arabia, and North Jemen.²⁴⁾

d) Towards a new phase?

In the second half of the seventies developments on the northern part of the Mediterranean region changed the political map: the democratization of Greece, Portugal and Spain was put in direct relations to the membership of these countries in the Community. The southern enlargement was put in process and is leading to a new framework for a Mediterranean policy. In June 1979 the Commission of the EC presented a report to the Council of Ministers which showed consequences of an enlarged Community for relations with non-member countries.²⁵⁾ On 24th June 1982 another document was adopted strengthening the need for reviving the overall Mediterranean approach on new bases. The motivations are not only based on the accession of Spain and Portugal but also on the current state of EC-policy towards the Mediterranean littoral countries which "is not operating to the satisfaction of our partners", as the Commission's communication states.²⁶⁾

At the same time the assumptions of a "civilian power" concept as basis of the Mediterranean policy have been called into question by various developments. The economic power of the EC has clearly decreased as a consequence of the higher energy prices and of the economic crises. Consequently the

Mediterranean policy of the EC devised in the economic boom years of the 1960s could hardly be applied properly in different times. The field for manoeuvring has been drastically limited leading the EC to protectionistic measures rather than establishing an open economy.

The Afghanistan invasion has reduced the "détente" process, which was an implicit assumption of the civilian power concept. Military and security problems did not lose their importance as it was hoped during the high-days of the détente process but they re-emerged in the early eighties. Disputes over regional balances on the southern parts of the Mediterranean region likewise increased, (Libya's opposition towards Egypt's policy, the quarrels between Morocco and Algeria towards the West-Sahara, the Iran/Iraq war). Both developments - global and regional - are increasingly challenging European policies which have tried to exclude direct involvement in the military and security field.²⁷⁾ Looking back to the three periods of the EC Mediterranean policy and taking a changed environment into account some first conclusions can be drawn:

1. The Community and the nine - now ten - member countries have devoted a considerable time and energy to the Mediterranean area; they have become involved.
2. The procedures used by the "EC" were increasingly sophisticated up to the conclusions of a treaty with

Yugoslavia in 1980²⁸⁾ showing the Nine's desire to help Yugoslavia to remain "free, autonomous, and non-aligned" as a status which serves peace in that region.²⁹⁾ The EC is trying to fine-line the common relationship with the southern Mediterranean countries. In this process it has come to realize that the economic structures are different. The notion of a "de-facto equal partnership" in terms of free trade zones or customs unions has been replaced by the concept of a "development cooperation" using special instruments.

3. Nevertheless, the pattern of trade relationship has remained asymmetrical.³⁰⁾ The dependencies of certain countries have even increased. The concessions on the industrial side did not have the desired results. The agricultural imports were restricted due to the Common Agricultural policy. Thus the aggregate trade deficit grew from just over 4000 Mill. ECU 1972 to over 9000 Mill. ECU in 1979. As consequence of these developments some Mediterranean partners imposed import curbs which have had especially hit capital goods as food import from the Community could not be cut back.³¹⁾ The financial, agricultural and social parts of the agreements have only slowly come into being and remained below the expectations.³²⁾ The financial means are relatively modest. The effectiveness of the Mediterranean policy was limited.

4. The economic environment for a new Mediterranean policy has degraded as a result of the economic crisis as well as of the southern enlargement of the Community and its prospects.
5. The political and security environment has also changed leaving the "EC" in search for influence and adequate instruments to react to the "nuisance value" of these countries.
6. Via the EC-Mediterranean policies, the northern members of the EC who have not been "present" in the Mediterranean area have been engaged in the problems of this region; a certain kind of "Mediterranization" took place.

As a preliminary balance, we should therefore point at an increase in activities with a lack of efficiency. The "EC" is not living up to its declarations.

3. The importance of the Mediterranean region for the "EC"

The importance of the Mediterranean for Europe is regularly deduced from five major problem areas:³³⁾

- the security aspect, especially the open southern flank of Nato;
- the political stability within the Mediterranean in keeping the status quo and preserving peace;

- the security of energy supply for Western Europe;
- the export markets for the Community;
- the cultural-historical heritage;
- the management of common problems.

How vital are these interests and what role can the "EC" play in these questions?

a) The commercial aspect: the status-quo

The volume of trade has considerably increased between the EC and the Maghreb/Mashreq countries (with trade surpluses on the part of the EC). Tables 3 and 4 indicate that the imports from that region are relatively inferior, however, to that of the three EC-candidate countries and to that of the ACP countries or single countries as the USSR or Saudi-Arabia. The percentage of EC imports from the Maghreb/Mashreq countries remained relatively stable during the last years (1976-79: 3,1 %). Compared with the early sixties the present percentage (2,6 %) is smaller. It decreased from 4,7 % in 1963 to 2,6 % in 1973. From then on an upward trend is visible. In terms of exports the southern countries of the Mediterranean are more important to the EC.

In the 1970s EC exports to the Maghreb and Mashreq (1976: 5,2 %; 1976: 5,7 %; 1979: 5,9 %) surpassed those to Latin America and have nearly reached the volume of EC exports to the ACP-countries. The still existing balance of trade surpluses for the Community (table 5) enables the Nine/Ten to partly compensate their oil deficits thus recycling to a certain amount the petro dollars.

If we take the whole Mediterranean region, including the oil producing countries as well as the northern Mediterranean countries we see the EC as taking a considerable amount (about 15 % of EC trade with the Mediterranean Basin and 21 % with the OPEC countries) of the extra EC exports/imports thus being an important region for the Community trade (see again table 5). The trade patterns differ between the member countries (see table 6 and 7). The Federal Republic of Germany, in absolute terms, is the most engaged followed by France and Italy. In relative terms, however, Italy's share of extra EC-imports from the Mediterranean is higher (14,3 %) than that of Germany (10,4 %) and France (8,9 %). Regarding the shares of extra-EC exports destined for the northern and southern Mediterranean region, France is in front followed by Italy both exporting more than 20% of their exports to that area. Interestingly, the Netherlands' share as well as that of Belgium-Luxembourg is higher than Germany's export rate (see table 7).

Regarding the list of Mediterranean trade partners the northern littoral countries in general are better off. As far as the Maghreb/Mashreq region is concerned, France seems to concentrate on Algeria and Morocco whereas Italy is more engaged in trade with Egypt and Syria (imports) and concerning exports again the Maghreb region (besides Algeria and Yugoslavia) is in front.

The characteristics of the traditional division of labour can be seen from the composition of exports from the countries of the Mediterranean Basin to the Community (table

8). These figures show that the share of Mediterranean agricultural products to the Common Market is tending to decrease, although it still remained relatively high during the 1970s (Cyprus, Turkey, Morocco, Israel). On the other hand, the share of combustibles is increasing (Algeria, Syria, Egypt, Tunisia) and the export of industrial goods from the Mediterranean region reveals an upward trend, too. It should be kept in mind, however, that a great number of these exports consists of products which are classified as "sensitive" within the EC (textile, footwear, some chemical products) or are relatively unprocessed raw materials. Accordingly, the Maghreb/Mashreq exports are of only a small degree of net value whereas Community exports to the Mediterranean region are of a high degree of net value. Besides machinery and transport equipment the dominant position of EC exports to the Mediterranean countries is held by agricultural goods. For the exports of the Maghreb/Mashreq countries (see again table 2) the share of the EC member states is still quite high and in many of the Mediterranean littoral countries exports consist of only certain groups of products (i.e. the share of combustibles in Algeria's, Syria's, and Egypt's exports; the share of raw materials - phosphates of Jordan's exports or that of manufactured goods - textile in Malta's exports -).

As far as private investments are concerned in general the Maghreb/Mashreq region is unattractive for Multinational Transnational Enterprises (TNEs). One reason is the small size of the domestic markets there, another the yet very

limited success in promoting intra-Arab cooperation. As table 10 shows the predominance of Greece and the two acceding candidates Spain and Portugal in comparison with the southern littoral countries of the Mediterranean. Algeria, Tunisia, and Morocco seem to be more attractive markets than those of the politically instable Mashreq region.

As far as the distribution of the financial aid of the Community is concerned the northern Mediterranean countries are in advantage, too: in 1981 more than 50 % of EIB loans towards the Mediterranean went to Spain and Portugal, 20 % to Turkey and the rest (30 %) to the Maghreb/Mashreq region. Compared with the EIB own's financial aid to ACP countries (158 Mill. ECU or 40 % of total aid) the Mediterranean region (including the candidates, Turkey, Malta, Cyprus, Israel, and the Maghreb/Mashreq) is better off (238 Mill. ECU or 60 %). As far as the EC-budget is concerned the share of the ACP-states is higher (51 Mill. ECU); only 39 Mio Mill. ECU of all financial aid from the EC-budget (90 Mill. ECU) was destined for the northern and southern Mediterranean countries. From 1963 to 1981 nearly two third of total EC financial aid outside the Community (EIB, EC-budget - aid including money from the EDF) was destined for Mediterranean countries in comparison with the ACP-states (one third).³⁴⁾

b) The commercial aspect - some trends and projections

As for the future commercial importance of this region it is difficult to speculate: however, looking at projections

about the year 2000 (see table 9) the growth centres do not seem to be located in this area and are therefore expected elsewhere in the world. According to OECD prospects the most noteworthy industrial development is to be expected in the Far East and Latin America whereas South Asia and Sub-Sahara Africa will remain of secondary importance. At the same time, however, the study emphasizes the growing importance of the Mediterranean non-Member countries of the EC which belong to OECD (i.e. Spain, Turkey) in world industry.³⁵⁾

Even increases in the economic and financial cooperation - additional capital transfers from the Community budget are hardly to be expected due to the EC's strained financial situation - will not be sufficient to create economic miracles on the southern parts of the Mediterranean region.

Expected is, however, a growing need for grain products and foodstuff³⁶⁾ in the world and in this region. For these agricultural products, especially grain, the US are becoming increasingly a competitor.³⁷⁾ For EC agricultural exports the Mediterranean area, including OPEC countries, which amount to a market share of about 42% of total EC agricultural exports to third countries could be the most prominent target group for an active agricultural export policy now being proposed by the Commission.³⁸⁾ OPEC countries share 20,6 % and the other Mediterranean countries share 21,1 %

of the Community's agricultural exports; about 12 % are sold to Eastern Europe, 10 % to ACP-countries, the rest to other industrialized countries.

Beside the future economic weight of this region, the "EC" policies of and after the southern enlargement will affect the trade.³⁹⁾ On the positive side for the southern Mediterranean countries the new members of the Community will have to adopt the obligations of the "EC"-Mediterranean policy thus being aligned to the more liberal Community import rules and opening their markets to the products of the southern Mediterranean countries. Also dynamic effects might be expected in case the growth expectations of the acceding candidates are becoming true. In this positive hypothesis the Mediterranean countries will become a new growth pole for the whole Community economy. More likely is, however, the dominance of negative effects leading to a growing "wall" through the Mediterranean region. The following two major assumptions indicate that the negative consequences will prevail:

- a) In the agricultural field the self-sufficiency of the Community of 12 (see table 11) will reduce drastically the export outlets for the southern Mediterranean products, especially when taking into account dynamic growth effects of Mediterranean products induced in the new member countries - especially Spain - by the incentives of the Common Agricultural Policy (CAP). In exporting a great number of "sensitive"

agricultural products to the EC (citrus fruits, vegetables, wine and olive oil) Cyprus, Morocco, Tunisia, and Israel will feel the repercussions of the enlargement very strongly whereas the Mashreq countries as well as Algeria are much less dependent on these exports to the Common market.⁴⁰⁾ The dual structure of the southern Mediterranean countries⁴¹⁾ with competitive export oriented "firms" and inefficient low capital intensive farms for basic needs will suffer at both levels unless these countries reorientate their agricultural production to the needs of the home markets. Other export outlets are limited. On the other hand, the conversion of their agricultural potential is limited by soil and climate conditions as well as by "human" limits as regards the problem of employment or tradition (i.e. in the case of Israel).⁴²⁾

- b) Also in the field of industrial products, especially processed food (tomato concentrates, fruit juice, and canned fish) and textiles, Spain and Portugal will gain a comparative protection by getting inside the Community. Especially Tunisian, Israeli, Malta and Moroccan textiles industry will be affected and to a lesser extent cork products from Morocco and Tunisia, chemicals from the same countries and Israel, iron and steel from Algeria, and aluminium products from Egypt.⁴³⁾ If protectionism of the EC

- in whatever manner - increases, the costs of being outside the major market would rise considerable and "put a definite end to the original concept of an industrial free trade zone covering the EEC and the Mediterranean countries."⁴⁴⁾ The above mentioned negative trade effects will reduce their capacity to import goods from the Community and they will have strong repercussions on the social and political stability of these countries. Therefore, it is in the interest of the northern Mediterranean countries to prevent these negative impacts.

- c) In the course of enlargement the problem of migrant workers will also become even more acute. The possibility of emigration for workers from the Maghreb countries, Turkey and Yugoslavia will be even more reduced. The loss of workers remittances will further increase the balance of payments deficits and thus the possibility to import goods.

In an overall balance the countries which will be strongly hit by the enlargement are Cyprus, Malta, Morocco, Tunisia, Israel, and to a lesser extent, Turkey.⁴⁵⁾

c) Energy supply

Undoubtedly a major concern for the "EC" is the supply of energy, which is partly coming from the countries bordering the southern Mediterranean directly (i.e. Libya, Al-

geria) (table 12), partly being transported through the Mediterranean area from the Gulf region. The "EC" is strongly interested in stabilizing the security of its fuel supply. So far the instruments to do so are limited and indirect. The agreements of the overall Mediterranean approach were also established in view of creating a positive climate for the relationship with some of the oil producing countries (especially Algeria), although they did not cover a direct cooperation in energy questions. Besides, it is worth noting that Libya being one of the most important oil-exporting countries to the "EC" (table 12) did not become a partner in the global Mediterranean policy. The bilateral agreements between European and Mediterranean countries have not been replaced by common approaches partly due to the fact that the energy policy of the Community has not been fully developed. Via the Euro-Arab dialogue an attempt was conceived to put the debate on energy questions into a common framework. This goal of the EAd has not been implemented, as internal divergencies and external (US) pressures (see above p. 5) have proved to be too strong. From this Euro-Arab dialogue - as from the common Middle East position achieved in the framework of the EPC since 1970 - there might be some positive effects on the overall political climate between the Arab countries and Europe: the politics of the energy supplying countries will, however, only be marginally influenced by those common European steps.

For the future, the oil producers directly located at the southern Mediterranean coast (especially Algeria and

Libya) will decrease in relative importance compared with their competitors in Saudi Arabia and Kuwait (table 13), unless new field perhaps off-coast will be found. As far as gas is concerned, except for Algeria with a share of 5 % of gas reserves, the riparian countries of the Mediterranean seem to be "une quantité négligable". As far as the transport function of the Mediterranean Sea is concerned, the picture is not so clear, but the search for diversification (nuclear energy, Russian gas, etc. and alternative ways for the transport routes of energy might lessen the significance of the Mediterranean basin as major route for fuel supply. On the other hand, the Mediterranean region as a centre for energy supply is not out of discussion (see the Italian concept of a gas cooperation with the Gulf countries).⁴⁶⁾

c) Overall political and security interests

Political stability of the Mediterranean area and guarantee of military security in the region are perceived as major aims of "EC" and alliance policies.⁴⁷⁾ This aspect has always been one of the motivations for the "EC" Mediterranean policies from the Association treaties with Greece and Turkey in the early sixties-reinforcing their integration into the western coalition-up to the agreement with Yugoslavia in 1980 which gives Western European support to an independent Yugoslavia in the post Afghanistan and post Tito era. With the creation of the EPC the Nine/Ten have tried to influence political developments in the case of Cyprus, the Middle East, in Spain, Portugal and Turkey.

The Euro-Arab dialogue had similar implications, but the direct links of EC and EPC instruments to the stability and security of the Mediterranean region are limited again. In the super-power constellation a civilian power is of only limited value, if the conflicts become military. The rather marginal role the Ten have played in the Middle East during their post Venice initiative, is one sign for the limited influence. In the increasing struggles for regional dominance the European policies might also be of limited value as they pursue a "balanced" approach. Bilateral policies (e.g. Italy's security guarantee for Malta, France's involvement in the Lebanon) might finally be more important.

Another problem of the effectiveness of European Political Cooperation is documented by the fact that after the Greek entry into the Community and thus into EPC the respective Mediterranean group of the Ten has not met again - in order to prevent that the Ten become too occupied with the Greek-Turkish disputes.

Also the general hesitation of the Ten to discuss military and security matters at all within their Political Cooperation framework reduce the actual and potential role of the "EC". In their latest document (the London report) - describing the working procedures of the Ten in the EPC framework - it was agreed to include "political aspects of security questions" into the Ten's consultations. In the present discussions about the Genscher/Colombo initiative concerning the

way to a European Union the security issue (not to mention military questions in the proper sense) is quite controversial and - as it looks now - will not lead to any increased coordinated activities.

As for the future, destabilizing effects of possible protectionistic policies of the Community after enlargement (see above) can endanger the political and social stability of the Mediterranean region thus opening the way for stronger influence of other countries, especially the Soviet Union.⁴⁸⁾ Moreover, certain countries of this region will raise increasingly in importance from strategic points of view. Turkey, Syria, Israel, Egypt, and perhaps Algeria, belong to this group to which the "EC" needs to turn special attention. Undoubtedly, Turkey will press upon her EC and Nato-partners to become either a member of the Community or get a special treatment for her services within the Atlantic Alliance or even - beyond Nato - in the whole Middle East region.⁴⁹⁾

d) Cultural-historical links

One major topic always mentioned in connection with Mediterranean policies is the common cultural heritage of all Mediterranean countries partly stemming from the colonial past, partly being the consequence of an ancient tradition based on common ideals. This common heritage is difficult to define as there are quite a lot of divergent and convergent elements; looking at the differences in religion and in political cultures there seem to be some diver-

gencies, though at the same time the existing cultural and personal links should not be underestimated. It seems to be appropriate to cultivate and develop these common links. However, the "EC" policies are practically not existing in this respect. Some conferences within the Euro-Arab dialogue are certainly not yet adequate instruments to promote these cultural links.

e) The management of common Mediterranean problems

In the Mediterranean Sea a couple of problems exist, which need common management or at least some common rules. Topics like the environmental quality of the Mediterranean waters, transport regulations, overfishing, sea-bed minerals, are becoming increasingly important. The "EC" as a whole so far has developed few policies directly oriented to these Mediterranean problems.

However, the Community's environment and fishery policies will also have impacts on the Mediterranean area; it is however doubtful, if these rules generally developed for conditions different from those of the Mediterranean region can be adequately applied.⁵⁰⁾

f) Some conclusions

Looking at these overall problem areas we see the following - incomplete - list of topics and their importance:

1. The economic and energy importance of the southern and eastern Mediterranean countries in a narrow sense (i.e. without the Gulf states) is limited and might even be declining.
2. The security and stability aspects are dominant.
3. The cultural aspect is rather vague, however not to be underestimated.
4. The management of common problems will become increasingly important, but might not need a common European engagement.
5. The involvement and the instruments of the "EC" are - except for some commercial aspects - of limited importance.
6. There are no "natural" Mediterranean frontiers to solve the indicated problems with the Mediterranean littoral countries alone; quite a lot of problems are overlapping into other regions, especially the Middle East and Persian Gulf one.
7. The major interest of the "EC" can thus be characterized as preserving the status-quo without too many increased engagement. It is a situation in which the "EC" might be less inclined to pursue constructive evolutions than to maintain the status-quo at low costs.

This "realistic" view looking only at concrete interests might, however, be short-sighted. The Mediterranean policy should be looked at as an attempt to increase the scope

of action for the "EC" in this area and beyond.⁵¹⁾ It is a "potential" instrument, the limits of which have not been tested. The increase in the scope of West European action is relevant to the two dominant conflict patterns within the international system: the Mediterranean is one of those crucial areas in which the East-West and the North-South conflict overlapp. . At least as long as the "EC" is interested in remaining a power able to "shape" the international system, the "EC" needs to conceive a common policy. . If the "EC" is not capable of making its influence heard in its "backyard" then the claim to pursue "world-wide" interests and responsibilities is rather badly founded.⁵²⁾

Beside this scope-of- action-argument, the character and role of European engagement in the international system will be at least heavily influenced by its Mediterranean policies. Will the Community become a "closed" shop or a system with "satellites" or an open partner (see options below)? Will the "EC" become restrained to a trade plus financial cooperation block or develop a broad system of instruments, which can be used in different situations or for various tasks?

Another argument for giving the Mediterranean countries a high priority is the possibility that these countries look for alternatives. The validity of this thesis needs to be analysed. A reorientation of some trade patterns e.g. towards the Middle East markets does not need to be negative. Tur-

kish exports to Saudi-Arabia can have bridge building effects and moreover increase the welfare in Turkey with positive effects on their capacity to import goods from the Community. A commercial reorientation of Mediterranean countries towards Eastern Europe, which is considered to have negative political effects, seems not realistic given the economic situation in Eastern Europe. Beside the commercial aspect, a political reorientation seems of much higher importance to the "EC". The southern and eastern Mediterranean countries have a considerable political and security "nuisance value" e.g. they will not necessarily be strong perhaps but they can create quite a lot of political and security problems to the "EC".

g) The "EC" internal dimension

So far we looked at European interests quasi from the 13th floor of the Berlaymont (Commission headquarter) in Brussels, e.g. from some form of common interest of the whole unit called "EC". Considering the political decision-making process, we need to look at the interests of the member countries and analyse what kind of package deals are possible. Looking at the trade patterns (see again table 6 and 7) we realize that the southern Mediterranean region is of relatively low importance for Denmark (about 2,5 %) the Netherlands (about 4,0 %), the United Kingdom (about 4,2 %), and the Federal Republic of Germany (about 4,7 % ⁵³). The southern countries of the "EC" are economically confronted with a dilemma: the Mediterranean littoral

countries are a profitable export market but also competitors in the Community markets where no growth can be expected (southern agricultural products, textile). For all "EC" concessions to the southern Mediterranean countries the southern member countries of the "EC" will present the bill to the Community and thus to the northern member states. These countries might be confronted with a twofold demand: they will be asked to "pay" once for the structural adjustment process of the acceding candidates, e.g. in an increased regional fund e.g. in form of a new Marshall-plan⁵⁴⁾ and once again for a new deal with the southern and eastern Mediterranean countries. In terms of overall political and security aspects the southern member countries of the "EC" are more directly concerned, but it is evident that the northern countries cannot cut themselves off from developments in this area, especially as the Nato alliance and historical links (e.g. UK and Cyprus, the Federal Republic and Turkey) lead automatically to an involvement in the Mediterranean region.

For the internal evolution of the "EC", the Mediterranean policies might become a crucial test field for integrating economic interests of different regions. The Community position on the Mediterranean policies is thus finally confronted with a dilemma: the present status-quo has worked sufficiently after some disturbances (oil crisis) and with some shortcomings. The trade pattern has remained positive, the deficits in the political and security influence seem not pressing. But by the steps of the Community itself -

the southern enlargement - and the drive to establish some more constructive role in the international system the Community is pushing itself to adopt new positions for which the Community has no adequate instruments and means.

4. Global options

a) First set of options: a "mare nostrum" of the littorals

Looking at these constellations and interests there is no "natural" solution to a new Mediterranean policy which would be the logical and inherent continuation of present policies and the implementation of unequivocal and dominant European interests. We have, therefore, not only to discuss procedures, instruments, and time-tables in order to reach a given fixed and clearly defined goal but we have to confront ourselves with overall options, their advantages and disadvantages, and strategies to implement these options.

In the following first set of options we assume that the "EC" will give the Mediterranean area a priority in its foreign policy. According to its analysis of interests, the "EC" is looking for a direct and active solution of the problems in that region by proposing long-term solutions with a high degree of institutional and economic commitments. In this set of options the "EC" of 12 would decide to build a new regional block around the Mediterranean in order to tackle the described problems. As propagated by quite a lot

of political forces within countries around the Mediterranean all powers "foreign" to this region, i.e. the USA and the SU, should reduce their influence to the benefit of all "original" Mediterranean littorals. This kind of options can be pursued in the security, diplomatic and economic fields which are mutually dependent. The exact form can be differently shaped. This setting of priorities for the Mediterranean area by the "EC" implies - as we will see - an analogous reorientation of the southern and eastern Mediterranean countries.

OPTION 1: A REGIONAL SYSTEM OF COLLECTIVE SECURITY

In this option the influence of the superpowers is reduced in the field of military and overall political questions. Only the Mediterranean countries as a group decide about the security problems in "their" region. By excluding the superpower rivalry it is hoped that the level of conflict will decrease substantially. The remaining problems will be solved by a system of collective security, in which all countries would react commonly against aggressors and in which solutions would be found by continuous negotiating among equal partners. Analogous procedures as put down in the Charter of the League of Nations and in the Charter of the United Nations would be installed. A Conference for Security and Cooperation in the Mediterranean (similar to the CSCE but excluding the superpowers⁵⁵) would be a first step in this direction.

For the "EC" two possible ways would be open: to participate either as unit or separately as nation states excluding the northern European countries. In the first case, the "EC" would need to acquire more powers and competences in the security field and get deeply engaged in the Mediterranean area. This could mean "Mourir pour Beyrouth" for a citizen from Copenhagen. In the second case the Community would be split into a Mediterranean group and a non-Mediterranean one in crucial questions. Although some form of cooperation and division of labour could be envisaged by which the northern countries would support the Mediterranean ones (e.g. by trade sanctions, arms embargo, etc.) the different outlooks would hinder the European countries from becoming a coherent political actor in the international system. The "wall" would not be built in the middle of the Mediterranean region but through the Community and perhaps even through some member countries like France and Italy.

This regional system of collective security is not a realistic and desirable solution. The strong conflicts are not only induced by the super powers but endogeneous between the adjacent countries. The level of conflict might even increase, when the "protection" by the superpowers is reduced.⁵⁶⁾ Furthermore, many conflicts in third regions like in the Middle East or the subsaharan zone cannot be dissociated from the Mediterranean countries. Even more, to reach such a system conflicts with the superpowers will occur and thus increase the level of tension. For Nato members questions of

alliance solidarity would be raised. Other non-Mediterranean interests of the "EC" might be directly hurt. If we look to history the way to settle the conflict by a regional system of collective security does not hold any promises.

The assumptions necessary for an operation of this model would not be fulfilled. Neither the political will nor the military capacity of the Mediterranean countries would exist to fight collectively against regional "agressors", whoever they may be. Coalition building in the Mediterranean could replace the collective security system. In case the "EC" would participate as a unit, the necessary balance of the model would be destroyed to the benefit of the northern shore of the Mediterranean.

OPTION 2: AN ARAB-EUROPEAN SECURITY DUOPOLY

Instead of a collective security system this option would be based upon a conflict management between the "EC" on the one side and the Arab League on the other one. The Euro-Arab dialogue could be the nucleus of this system. Countries outside the two blocks (like Yugoslavia, Turkey) would need to settle for one side or be left outside. As internal prerequisites for this option both sides would need to become more coherent units with a higher degree of centralization and common interests.

Though this kind of oligopoly looks more possible, it is again neither realistic nor a desirable solution. Apart from the remarks made for Option 1 about the exclusion of the superpowers, it seems uncertain if this duopoly really could achieve a zone of freedom and prosperity taking into account the different interests of the countries on both sides of the Mediterranean coast. Furthermore, the building of blocks will - following group dynamics - increase the tensions in the middle of the Mediterranean.

Leaving the security issue aside, another option for the "EC" would arise in building a close economic block around the Mediterranean. For this kind of options the "EC" is internally better prepared than for security question. The economic block building could take various forms.⁵⁷⁾

OPTION 3: A "COMMON MEDITERRANEAN MARKET"

The model of the Common Market could be transplanted into the Mediterranean area, including a customs union with a common external tariff, free movement of production factors, trade agreements with other groups, monetary coordination mechanism, etc.

For this option the Community would have either to include also the countries of the southern and eastern Mediterranean coast into its membership thus forgetting its Euro-

pean vocation or split up letting its southern members participate also in a different interest circle. Though forms of harmonizing both circles could be imagined, this suboption would mean a clear division of the Community.

Beside this point, a Common market option again is neither realistic nor desirable. The prerequisites for a Common Mediterranean Market are not fulfilled, as the level of economic developments and the conceptions about the "economic order" (capitalistic or socialist) are too divergent,⁵⁸⁾ to enable a balanced membership. The political requirements - especially to give up certain competencies and powers to common institutions - will also not be met as the sufficient level of mutual confidence and the preparation to give up sovereignty do not exist. Furthermore, as indicated above the potential of a Common Mediterranean Market is not promising for at least the European members. That a Common Market for certain products (fruits and vegetables)⁵⁹⁾ is more workable, seems doubtful.

OPTION 4: THE MARE NOSTRUM AS AN ECONOMIC "BACKYARD" OF THE "EC"

In the "backyard" option the "EC" pursues an economic division of labour by which the southern Mediterranean countries remain producer of southern agricultural goods and few, semi-industrialized products and importers of northern agri-

cultural products and industrial goods. By arrangements to keep third competitors out, the Mediterranean becomes an appendix to the "EC". The "EC" would have to give guarantees for prices of exports and quantities of imports in order to persuade the southern Mediterranean countries to accept such an option. Mechanisms of the Common Agricultural Policy and of the Lomé Agreement like Stabex as well as preferences for industrial products, i.e. in the multi-fiber agreements could be used. Off-payments could also be induced through direct financial means. Flexible institutional procedures would be necessary to fine-tune this division of labour.

For the Community this option would mean a trade off between higher direct costs on the one side and increased stability of trade patterns on the other side. The southern Mediterranean countries would pay for an increased stability of trade patterns by reducing - uncertain - possibilities for a dynamic industrial growth. This option might be more acceptable to smaller than to larger countries of the southern Mediterranean shore:

The Community has to pay also in relation to the international economic system. By a regionalization the "EC" would strongly support trends to large trading blocks and thus undermine even more the open world market system: This choice will be difficult and not acceptable for certain members of the "EC" which are advocating for a liberal trade system. Furthermore, it is perhaps not the best solution to

create a regional block which might be less competitive than others (e.g. Japan and South-East Asia).

OPTION 5: A FREE TRADE AREA

In this option the "EC" would transplant and extend the free trade arrangements which the Community concluded with the rest EFTA countries to the Mediterranean region. The free trade arrangements could be accompanied by other instruments like financial contributions, monetary cooperation, reduction of non-tariff-barriers, etc.

In comparison with the present situation this option would mean especially an abolition of customs which the Mediterranean countries still raise on "EC" products and result in preferences to Community goods on Mediterranean markets in relation to imports from other third countries. As equivalent to this offer the Mediterranean countries could negotiate a complete opening of the Community market which would also include "sensible" products like textile.

This option would meet two major obstacles. On the one hand the Mediterranean countries would not feel and are not competitive enough to confront the European imports on their markets without any protection. Economic dynamism expected as a consequence of a free trade area might not materialize due to the insufficient preconditions in the southern Mediterranean countries; the same argument was raised in connec-

tion with the Common Market solution above. On the other hand third countries would struggle against this kind of preferences given to certain developing countries; complaints will come from other developing countries and from countries like the USA.

OPTION 6: A MODEL FOR A NEW DIVISION OF LABOUR?

Critics of the present asymmetrical relationship⁶⁰⁾ propose a new division of labour by which

- the developing countries of the Mediterranean region diversify their one-sided export structure by investing into the broad area of labour intensive semi-processed goods at the same time by reducing the dependence on agricultural imports by intensifying their own farming of basic food. The developing countries should become as well competitive in more sectors, as more self-reliant and autonomous. To achieve these goals the intra-regional cooperation of the southern Mediterranean and Arab world needs intensification,
- the "EC" countries open their markets also for the sensible products of the Mediterranean countries concentrating their production scope on high technology goods for which the Community has comparative advantages.

It is hoped that the result of this new economic division of labour would be a decrease in the asymmetrical relationship to another form of interdependence based on a new form of complementarity of production patterns. For this option a global convention between the Community and all Mediterranean countries analogous to the Lomé Convention as proposed by the Commission⁶¹⁾ could be envisaged.

Although the authors of this proposal are following a general trend of conceptualizing the new international economic order, they do not indicate that this new division of labour is implying new protectionistic measures in and for this area. It seems to be very likely that the rather weak competitive power of the southern Mediterranean countries with regard to dynamic growth centres elsewhere in the world and that the limited absorption potential of the "EC" make some common external protection of the whole region necessary. Otherwise the opening of the EC market will be to the benefit of other third countries. In an open system the goal of a Mediterranean policy as stated above will not be achieved.

Furthermore, the prerequisites on both sides of the Mediterranean need to be analysed:

On the side of an enlarged Community certain industrial branches (textiles, steel, cars?) would need to be replaced by new growth industries. As these branches are concentrated

in already relative backward regions of the "EC" and, especially in the new southern members, the economic and thus political costs will be quite high within the Community. In this option it is thus necessary to restructure exactly those industries of the less developed EC-member countries in which they still have some comparative advantages within the "EC". The loss of these advantages would not be acceptable to these member states and for those political forces in the Community who care for the declining industries.

Internal structural changes would also have to occur in the agricultural field. The production of Mediterranean goods (citrus fruits, vegetables) would be drastically reduced and the exports of 'northern' products (milk, grain) would also be limited as these goods are supposed to be farmed in the southern Mediterranean countries themselves. In order to overcome this negative effect the richer countries and regions would have to offer at least substantial compensation for the producers of the outphased goods e.g. in terms of a new Marshall fund.⁶²⁾ Without any guarantee for an economic success the Community would be running a risk. At the same time the Community would also have to raise money for the investment programmes in the southern Mediterranean region, because otherwise few chances for an economic success in the southern riparian countries will be created. These two financial demands are likely to overload the Community budget and to overstretch the willingness of northern European countries to pay. Thus the internal "EC" constellation is not favourable for such an option.

For the countries of the southern Mediterranean, this option also calls for a drastic change in the existing production and trade patterns, and it might finally mean the willingness to be integrated into some form of common investment planning. It is doubtful whether these countries will be prepared to cooperate so closely and to face this kind of dynamic process without relying on some strong form of own control and reserve measures.

OPTION 7: THE MARE NOSTRUM AS A PLANNED SOCIALIST ECONOMY

One way of creating a Mediterranean economy would be some form of a "Council for Mutual Mediterranean Cooperation" based on a commonly agreed plan of production. A prerequisite would be a strong political body to decide and manage the system. This power can originate from "democratic" principles of either one man - one vote (i.e. finally a Mediterranean federation) or one country - one vote, which would in any case erode national sovereignty; it would also operate on a veto principle, which will make the system nearly unworkable; finally such a planned cooperation can be run by a hegemony of one partner - this would imply a power struggle between the northern "EC" partners and rich Arab countries. The political requisites would be governments willing to change the economic structure of nearly all Mediterranean countries. The conflict level between partners would however be too high to get such a system to work.

OPTION 8: THE MARE NOSTRUM AS CENTRE OF A EURO-ARAB-
TRIALOGUE

Given the close economic interdependence, the geographic proximity, the common cultural values, and the complementarity of energy resources, technology and human as well as material resources the proponents of a "trialogue" suggest to enlarge the area of cooperation to a triologue between Europe, the Arab, and the African countries;⁶³⁾ on the most basic level this cooperation should bring together: Arab capital, European know-how and African working forces. This triologue would finally serve as a model for a north-south-dialogue - as assessed by some - or a closed trading block - as others fear. Beyond this general notion of complementarity the forms of cooperation on a macro-economic and macro-political level are rather vague. Certainly the "EC" has formal links with the African and Mediterranean countries, however not yet with some of the most important Arab countries being at present outside the framework and which show only limited interest for such a cooperation.

To achieve more than an ad-hoc cooperation at certain concrete projects which can be done (and are done) without any large framework it is necessary to install an intensive cooperation leading to a working institutional set-up and global political package deals.⁶⁴⁾ Certain economic interdependences will not be enough to overcome quite large differences of economic development, political ideologies, conflicts of interests, and pressures from outside. Many of

those problems mentioned in the options before will be increased considerably. Only the financial resources of some Arab countries seem to make the difference. It is rather unlikely that these "rich" countries would invest economically and politically into the region of the dialogue to make this complex organization work.

b) Second set of options: Diversifying "EC" policies

The options we covered so far were all characterized by the priority which the Europeans gave to the Mediterranean region. Four major elements, conditions or consequences were common to these options:

- a) The options were "global", i.e. they tried to establish common frameworks or rules for a broad area of problems;
- b) the southern Mediterranean countries had to agree and to participate in the solution;
- c) this set of solutions will have to be implemented against strong international obstacles;
- d) the "EC" either has to be "mediterraneanized" or will be split.

In the upcoming options we will deal with a diversification of Mediterranean policies. Whereas in the first set of options certain overall or global approaches were propagated, the "EC" could also pursue forms of diversifying its solutions. Two dimensions have to be observed: searching

for solutions of problems in a pragmatic, piece-meal, functional approach and treating countries or groups of countries differently.

OPTION 9: FUNCTIONALIST MEDITERRANEAN POLICY

In this option the "EC" countries pursue a pragmatic piece-meal policy which would imply flexible procedures. The existing problems which are assumed to be disparate and not mutually connected, should not be solved in a global and common framework with certain legal qualities but on an ad-hoc basis adequate to the characteristics of a given problem. Environmental problems would be dealt with within different groupings and in another political and legal setting than the social questions of migrant workers. The form of management follows the function.⁶⁵⁾

For quite many problems this option would not need a direct Community involvement as this might imply unnecessary stiffness due to the legal character of Community policy. Forms of "multi-tier solution" might be envisaged. This concept of a Multi-tier Community (abgestufte, differenzierte Integration, L'Europe à deux vitesses, L'Europe à géométrie variable) has been intensively discussed in the last years without offering yet a satisfactory solution between certain needs to find differentiated methods of problem solving in the large Community of twelve on one side and the equally important need to keep a sufficient coherence among member count-

ries on the other side. According to this option, certain Mediterranean problems like environment or fishery might then not follow all Community rules on environment or on fishery but exceptions would be decided by the respective Community bodies.

In those fields where Community policies are existing and where unique approaches seem necessary like in the trade or the agricultural sector the Community needs to be involved. In these cases this functionalist option would phase out the common elements of the "global" Mediterranean approach and pursue a piece-meal approach of bits and pieces of scattered "EC" policies.

This option has the advantage for the Community that it may wait and see, if and in which fields problems become politically sensitive, and then it can play the role of a fireman. The "EC" does not need to elaborate new structures and commit itself to an uncertain future.

The disadvantages on the other side of the coin are: conflicts, when on the table, might be too large and politically too sensitive to be solved in an functionalist approach. Many problems are interdependent or are put politically into some form of package deal. As shown by experiences in other fields like the atlantic relationship or in dealing with the SU, functionalist approaches of the "EC" are too narrow to deal adequately with overall demands. In the Euro-Arab dia-

logue or in the Conference on International Economic Cooperation in Paris the Arab countries have already confronted their European partners with this kind of broad packages.

Furthermore, the "EC" will have no stable and reliable framework to deal with these problems. This deficit is especially negative for a political system like the Community which has no efficient and rapidly acting decision-making centre but which needs time-consuming internal negotiations.

OPTION 10: THE PRINCIPAL NATIONS APPROACH-DIVERSIFYING
TO ITS PARTNER COUNTRIES

In this option the "EC" will differentiate policies according to the Mediterranean littoral countries involved. The basic assumption is that the problems and the relationship between the "EC" and the Mediterranean countries is not so homogenous as the present doctrine indicates, but different to a degree which makes individual treatments imperative. There can, therefore, be no trend towards the building of a coherent group among eastern and southern Mediterranean countries. The Community should deal with each country or small grouping separately and without a common framework. As the agreements with southern Mediterranean countries would be competitive to each other including hierarchies of preferences⁶⁶⁾ the Community will have to set increasingly priorities among its "clients". The Community might thus look for "key states" with which a broad intensive coopera-

tion can be reached whereas with other - less important - countries the agreements might be limited to certain narrow problems giving these countries a much smaller niche in the Community market.

If economic and military security dictate European interests in the Mediterranean region, Turkey as one of the important countries should attract the Twelve's attention and broad arrangements including perhaps even participation within the EPC should be pursued, whereas the involvement in Political Cooperation would be excluded for other non "EC" Mediterranean countries.⁶⁷⁾

With this "principal nations option" the Community would more and more interfere in struggles for regional predominance, favouring certain countries to the detriment of others. By strong commitments to certain countries the propensity to support certain regimes or political forces will increase. This option will therefore be a highly politicized issue and might lead to a direct Community interference into regional quarrels and to competition with the superpowers. In order to reduce this kind of conflict potential a little bit the Community countries could arrange a "division of labour" by which individual EC member would support by national means (bilateral development aid, arms exports) different countries. The coherence of an "EC" policy might, however, be lost and the efforts of individual countries might be counterbalancing each other.

4. Some elements for a Mediterranean policy of the "EC" in the next years

a) Preservation of the status quo with financial side-payments - the Commission's strategy

Starting point of this strategy are the challenges with which the Community is confronted. The trade conflicts with the US, Japan and the dynamic "Newly Industrializing Countries" (NIC's) as well as the problems of the internal "EC" - adapting sensitive industries and of bridging the gap between richer and poorer regions will reduce the room for manoeuvring of the Community. In trade off-curves of preferences the costs inflicted on the Mediterranean countries (or the not granted advantages to them) seem to have less weight compared with those of stabilizing the Mediterranean agricultural productions within the "EC" and of safeguarding the declining textile industry. The Commission's last paper has made this mutual relationship rather clear: "The external Mediterranean policy implies the vigorous pursuit of internal development as well through a more ambitious and better funded regional policy, a social policy more active and better adapted to the Mediterranean regions and a re-direction of the Common Agricultural Policy".⁶⁸⁾ Looking from some national capitals a new Mediterranean policy thus implies also substantial internal direct and indirect costs in a time when structural problems are already serious, financial resources are scarce and budgets tight. The Commission's strategy is based on two major principles: on one

side it pleases for an "orderly expansion of trade"⁶⁹⁾ in the field of industry and commits the EC countries to a "consolidation of their (the Mediterranean) agricultural exports".⁷⁰⁾ This part of the strategy is for the benefit of the "EC" as it tries to keep the import risks of the Community under control by implying restrictions for the southern and eastern Mediterranean countries. The protectionistic step should follow fixed rules to counterbalance these negative effects - the Community should offer the southern and eastern Mediterranean countries more consultation with early warning systems - which in its final consequences implies some form of investment planning around the Mediterranean area - and "the Community must make more money available and provide for more generous financial protocols".⁷¹⁾ The flow of finance should increase either by making use of the Community's own instruments or by getting funds mobilized on the international capital market. The essence of the Commission's proposal for the next years can thus be characterized as preserving at least the status quo (preventing a deterioration of trade) and offering some financial side payments as substitution for a larger opening of the market. Some open questions concerning this strategy need to be discussed:

- a) in economic terms: to which projects should the financial resources be allocated: for industrial productions for which the Community will close its borders, for internal agricultural productions which reduce the export chances of "EC" surpluses, or on infrastructure which looks unproductive?

b) in political terms: As money is also a scarce good where will the Community get its money from; the 1 % TVA limits the income of the EC budget and the political pressures for other Community objectives are stronger. The capital market is also overstressed - and who is paying for the interest rates?

The Commission's strategy also suggests more formalization of the relationship and consultation procedures. The proposed "global convention" between the two regions along the lines of the Lomé Convention should not replace the individual agreements but balance the relations.⁷²⁾ - "A setting up of a 'Mediterranean Forum' for meetings and discussions along the lines of the Council of Europe ... would increase the chances for stability and development in the entire area."⁷³⁾ This new organizational form will meet major political obstacles from inside the Mediterranean area and from outside, which have already been discussed in some of the global options. At the same time the advantages of increased organizational links are not obviously do taking into account all the possible clashes of interests.

b) Preservation of the status quo with more diversification

The Commission's approach is stressing a balanced approach to practically all Mediterranean countries having a sort of Lomé Convention in mind. The analysis of "EC" interests might, however, lead someone from the realistic school of foreign policy to suggest more a degree of diver-

sification of policies being higher than we have already in the present system. The political and strategical importance of certain countries (like Turkey, Yugoslavia and Egypt) as well as the differences in the economic situation and dynamics make it indeed doubtful that "globality" and "balance" should really be in the centre of the "EC" approach.

It makes of course some political and organizational sense to provide some form of analogous or common regulations but the "EC" needs to be more discrete, if it wants to pursue the interests, it perceives. Discretion means in this sense: more bilateral agreements in the strict sense with different elements, instruments, and conceptions, more ad-hoc policies in case of political crises, different degrees of institutional connections. E.g. for the Nato member Turkey the intensity of support and the scale of instruments must be higher and broader than for other Mediterranean littoral countries. In the "hierarchy of preferences"⁷⁴⁾ the Community has in any case to decide, and it has made - at least implicitly - these decisions in the last years. Instead of setting priorities quite often at random and without taking into account the gains and losses of adjacent countries the "EC" needs to elaborate on more clear priorities. The Commission has itself raised this question by pointing at Yugoslavia as "key partner".⁷⁵⁾ In setting the priorities political, security and economic interests of the Community need in some form to be included; e.g. that political and

security aspect should be taken into account more clearly than up to now.

The stressing of this dimension is a consequence of the analysis made in part II , III, in which the increase of conflicts between east and west, north and south, US - Europe and among littoral countries were projected.

At the same time these diversifications imply more common and concerted approaches and instruments of the Community in the field of economic and financial support. The EPC needs to be intensified and to be more open for coalition building. The security dimension cannot be excluded from the Ten's or Twelve's Mediterranean policies. Diversification should also take into account a certain division of labour among member countries as their relationship with individual countries is concerned. However, this division of labour needs common frameworks and common goals.

Ranking countries imply of course major problems:

1. Within the "EC" interests and priorities of member countries are different and diverging: the Federal Republic of Germany will give Turkey a higher bonus than France will do;
2. Externally, the political pressure on the "EC" would increase but this might finally open more possibility for influence;
3. To be more discrete implies also more flexibi-

lity and rapidity of decision-making within the Community institutions.

c) A need for decisions?

As mentioned above in part III the present status quo of Mediterranean policies is at least in the commercial field not unfavourable to the Community. In view of the other more "pressing" problems many politicians would doubt that the "EC" should afford the "luxury" to reassess the present agreements and discuss new options and approaches now. These overburdened politicians would consider these questions as artificial stirring up new quarrels, which could be left out of the agenda for a couple of years. Finally, they may argue that the membership of Spain is still some years away and that perhaps in the late eighties a global economic boom or economic miracles in some Mediterranean countries might take away quite a lot of the pressure. Leave this question to our successors, now we have to tackle the problems of the mandate and of enlargement; the relationship with the US and East-West-conflict are high on our agenda. If we take the Mediterranean problems always into account, we will never solve our problems, they would argue.

This line of arguing holds some truth in it as it underlines the fact that not all problems can be solved at the same time and that a hierarchy of problems needs to be established. At the same time the awareness of these - perhaps -

secondary but certainly long lasting and finally crucial problems need to be raised. If we do not try to analyse and tackle problems early enough, we will be faced with increasing dilemmas. In this sense this conference and the proposals by the Commission are of high importance and need to be pursued.

APPENDIX

tables and notes

NOTES

- 1 See the London report of the Ten on improvements in Political Cooperation, 13 October 1981, part 1; German version, in: Europa-Archiv 2/1982, p. D45-D50.
- 2 See especially the final declaration of the Paris summit 1972 and the Copenhagen Document on the European Identity from 1973, in: Press and Information Office of the Federal Government (ed.), The European Political Co-operation, Bonn, ³1978, pp. 21 ff. and pp. 69 ff.
- 3 Statement of the Conference of the Heads of State and Government of the Member States of the European Community, Paris, 21 October 1972, published in: Press and Information Office of the Federal Government, op.cit. p. 44.
- 4 Commission of the European Communities, Commission Communication to the Council on a Mediterranean policy for the enlarged Community. Com (82) 353 final, Brussels, 24 June, 1982, p.19.
- 5 C.f. the respective passages in the programmes of the European Parties, in: Programme für Europa. Die Programme der europäischen Parteibünde zur Europa-Wahl 1979, Bonn 1978, pp. 175, 308. The Economic and Social Committee of the European Community in its publications concentrates on the economic aspects of the 'global'

approach and the repercussions of the EC enlargement;
c.f. Wirtschafts- und Sozialausschuß der Europäischen
Gemeinschaften, Die Außenbeziehungen der EWG - Bilanz
und Kohärenz, Brüssel 1982, pp. 59 ff.

- 6 European People's Party, European Digest 45. Study meet-
ing 31 Aug to 4 Sept 1981 Naples, Luxembourg, 1981p. 228.
- 7 See the respective paper of Giacomo Luciani.
- 8 The treaties came into force on 1.11.1962 (Greece) and on
1.12.64 (That is why the years 1962 and 1964 are cited,
too).
- 9 See CORRADO Pirzio-Biroli, Foreign Policy Formation with-
in the European Community with special regard to the dev-
eloping countries, in: Leon Hurwitz(ed.), Contemporary
perspectives on European Integration. Attitudes, nongou-
vernemental behaviour, and collective decision-making,
London 1980, p. 225-253; p. 236 f.
- 10 For more details see Heinz ANDRESEN, Über die Verwirkli-
chung einer gemeinschaftlichen Mittelmeerpolitik, in:
Europa und die arabische Welt. Probleme und Perspektiven
europäischer Arabienpolitik, Bonn 1975, p. 293-326.
- 11 Lybia has been unwilling to negotiate with the EC so far,
but there are signs of a changing attitude.

- 12 Heinz ANDRESEN, *op.cit.*, p. 304-306; Udo STEINBACH, *The European Community and the United States in the Arab World. Political competition or partnership?*, p. 122, in: Haim Shaked, Itamar Rabinovic (eds.), *The Middle East and the United States*, New Brunswick, London 1980, p. 121-139.
- 13 Press statement of the Head of State and Governments in Paris 1972, *op.cit.* p. 5 f.
- 14 See for the explanation of this notion the article of François Duchêne, *The European Community and the uncertainties of interdependence*, in: Max Kohnstamm, Wolfgang Hager (eds.): *A Nation Writ Large? Foreign Policy Problems before the European Community*, London 1973, p. 1-21.
- 15 See the list and contents of the agreements in table 1.
- 16 For details about its structure and developments, see: David ALLEN, Reinhard RUMMEL, Wolfgang WESSELS (eds.), *European Political Cooperation: Towards a foreign policy for Western Europe*, London 1982.
- 17 First Report on Political Cooperation, 27 October 1970, (Luxembourg Report), cited from Press and Information Office of the Federal Government, *op.cit.*, p. 29.

Second Report on Political Cooperation, 23 July 1973
(Copenhagen Report), Ibid., pp. 51-66.

Third Report on Political Cooperation, op.cit. (note 1).

18 Udo STEINBACH, Die Europäische Gemeinschaft und die arabischen Staaten, p. 203, in: Karl Kaiser, Udo Steinbach (eds.), Deutsch-arabische Beziehungen. Bestimmungsfaktoren und Probleme einer Neuorientierung, München, Wien 1981, pp. 185-204.

Wolfgang WESSELS, Die Europäische Politische Zusammenarbeit, p. 119, in: Werner Weidenfeld, Wolfgang Wessels (eds.), Jahrbuch der Europäischen Integration 1980, Bonn 1981, pp. 115-127.

19 Ibid., p. 122.

Ders., Die Europäische Politische Zusammenarbeit, to appear in: Werner Weidenfeld, Wolfgang Wessels (eds.), Jahrbuch der Europäischen Integration 1981 (to be published in 1982).

20 For more information, see: Udo STEINBACH, The European Community and the United States, op.cit., pp. 125-135.

21 Wolfgang WESSELS, Die Europäische Politische Zusammenarbeit (to appear in 1982), op.cit.

22 Udo STEINBACH, The European Community and the United States, op.cit., p. 132 f.

- 23 See e.g. Hélène DETORME, Marie-Claude l'HYVER, La place de l'Europe des Neuf dans l'approvisionnement agro-alimentaire du bassin méditerranéen: à la recherche d'une politique, in: Colloque CEDECE, La Communauté économique européenne élargie et la Méditerranée: quelle coopération, Presses Universitaires de France, Paris 1982, p. 205.
- 24 Deutsche Presse-Agentur, Die deutsch-arabischen Beziehungen. dpa-Dokumentation/HG 2988, Hamburg 1981, p.20. Chancellor Helmut SCHMIDT, address to the German Bundestag, 8th session, 203. meeting, 28 February 1980. "Preliminary formal contacts" between the EC and the Cooperation Council of the Gulf states (uniting Saudi Arabia, Oman, Qatar, Kuwait, United Arab Emirates) took place in June 1982. See Agence Europe, No. 3386, 9 June 1982.
- 25 Com (78) 200 final, Brussels, 27 April 1978.
- 26 See "Commission Communication on a Mediterranean policy", Com (82) 353 final, op.cit. p. 1; Agence Europe No. 1215, 23 July 1982.
- 27 Thus it was long discussed to include security questions on the agenda of the EPC, finally in the London report (op.cit., p. D46 -German version-) it was agreed to include "political aspects of security" question into the discussion among the Ten. The debate over the Genscher/Colombo initiative for a European Union has also shown strong divergencies over this topic.

28. See M. CAPORALE, "L'accord de coopération CEE/Yougoslavie: Le dernier né des accords méditerranéens", in: Colloque CEDECE, op.cit., p. 189-197.
29. Agence Europe No. 2843, 7 February 1980. Panos TSAKALOYANNIS, "The politics and economics of EEC-Yugoslav relations", in: Journal of European Integration, No. 1 (Fall) 1981, pp. 29-52.
30. See table 2.
31. See Commission Communication to the Council on a Mediterranean policy for the enlarged Community, Com (82) 353 final, op.cit., p. 3.
32. See Guy ISAAC, "Les protocoles financiers", Jean RAUX, "La coopération agricole en Méditerranée, bilans et perspectives", Maurice TORRELLI, "La coopération sociale: bilan et perspectives"; in: Colloque CEDECE, op.cit., p. ...
33. See e.g. Wolfgang HAGER, "Das Mittelmeer - 'Mare Nostrum' Europas?" in: Max Kohnstamm, Wolfgang Hager, op.cit. (here the German version published in Frankfurt a.M. 1973), pp. 233-264.
34. Calculated from: European Investment Bank, annual report 1981, Luxembourg 1982, p. 49, 53, 82, 87, 103. - In 1981 43 % of the financial aid of the EC-budget went to the Mediterranean; nearly 60 % were destined for ACP-states.

- 35 OECD, Interfutures. Research Project on "The future development of advanced industrial societies in harmony with that of developing countries", Paris 1979, p. 256 f.
- 36 See Global 2000, Report to the President, Council on Environmental Quality, Washington 1980, p. 256 f. (of the German translation), according to this analysis grain and food production and consumption will almost double from the early 70s to the year 2000. And: Jaques BOURINET, L'intégration de la coopération internationale dans la problématique du développement agro-alimentaire méditerranéen, in: Colloque CEDECE, op.cit., p. 320-334.
- 37 See DETORME, HILVER, La place de l'Europe des Neuf dans l'approvisionnement agro-alimentaire, op.cit., p. 205. OECD, Interfutures, op.cit., p. 251.
- 38 Com (80) 800, Com (81) 608 and Com (81) 249, see for the problem: Deutsches Institut für Wirtschaftsforschung (DIW), Mehrjährige Lieferverträge für Agrarprodukte?, in: Wochenbericht 6/82, p. 92-96.
- 39 The following considerations are common good of most of the literature on this subject, see among others Stefan A. MUSTO, The EEC in search for a new Mediterranean policy, op.cit., p. 15; Heinz KRAMER, Auswirkungen der Süderweiterung auf die Zusammenarbeit zwischen den Mittelmeerländern und der Gemeinschaft, einführende Überlegun-

- gen zur Fachtagung der Friedrich-Ebert-Stiftung am 9. und 10. Dezember 1971 in Brüssel, copied manuscript; Heinz KRAMER, Die Europäische Gemeinschaft und der Mittelmeerraum, in: Moderne Welt, Jahrbuch für Ost-West-Fragen 1979, Köln 1980, p. 299-319, and the respective articles in Colloque CEDECE, op.cit.
- 40 Com (82) 353 final, op.cit., p. 6 f.
- 41 DE TORME, op.cit., p. 199 f.
- 42 Agence Europe No. 1215, op.cit., p. 5; Sergio MINERBI, The accession of Spain to the EEC and its repercussions on the Israeli economy, Brussels 1982 (copied manuscript), p. 23.
- 43 See Stefan A. MUSTO, The EEC in search of a new Mediterranean Policy, op.cit., p. 16 f.
- 44 Ibid., p. 17.
- 45 Com (82) 353 final, op.cit., p. 6.
- 46 C.f. Süddeutsche Zeitung, 19 February 1982; Frankfurter Allgemeine Zeitung, 1 March 1982.
- 47 See Günther van WELL, Mittelmeerpolitik und Süderweiterung, in: Integration 1/79, Bonn 1979, pp. 3-9; Lothar RÜHL, Die Atlantische Allianz und die politische Stabilität in

Südeuropa, in: Karl Kaiser, Karl Markuskeis (eds.), Sicherheitpolitik vor neuen Aufgaben, Bonn ²1979, pp. 3-49.

- 48 See the respective concern of the Commission, Com (82) 353 final, op.cit., p. 9.
- 49 See the respective paper presented at this conference.
- 50 See M. DALLIER, La coopération dans la gestion de la Méditerranée, in: Colloque CEDECE, op.cit., pp. 354-393.
- 51 See Stefan A. MUSTO, Die Zukunft der Mittelmeerpolitik der Europäischen Gemeinschaft, Umlenkung oder Schaffung von Handlungsspielräumen, copied manuscript,
- 52 There we refer to Kissinger's Chicago speech of 1973 that Europe has only "regional" responsibilities whereas the US have "world-wide" interests, see Department of State Bulletin, Vol. LXVIII, Nr. 1768, from 14. Mai 1973, p. 593-598.
- 53 In terms of exports.
- 54 See the Pöttering report of the European Parliament, European Parliament Doc 1-736/81.
VWD Europa, 16 February 1982. Besides the definition of the new Mediterranean policy the Commission recently has outlined "Integrated Programmes" in favour of the Mediterranean regions in the Community; details in: Agence Europe No. 3388, 11 June 1982.

- 55 This proposal has been launched by Malta.
- 56 Helmut HUBEL, Die sowjetische Nah- und Mittelostpolitik. Bestimmungsfaktoren und Ziele sowie Ansatzpunkte für Konfliktregelungen zwischen West und Ost, Bonn 1982.
- 57 Compare Stefan A. MUSTO, The EEC in search of a new Mediterranean policy, op.cit.
- 58 See e.g. Ahmed MAHIOU, Note sur les rapports Algerie - CEE, ambiguïtés et paradoxes, in: Colloque CEDECE, pp. 220-227.
- 59 See Sergio MINERBI, The Accession of Spain, op.cit., p. 24, according to him Commissioner Pisani, responsible for the EC relations with the Mediterranean thinks it could be a good idea.
- 60 See e.g. Stefan A. MUSTO, The EEC in search of a new Mediterranean policy, op.cit.
- 61 Com (82) 353 final, op.cit., p. 17.
- 62 See the notes above (especially note 54).
- 63 See especially Albert BRESSAND, Monologues, dialogues, trialogues, in: Colloque CEDECE, op.cit., pp. 45-53.

- 64 As a first step in this direction one could mention the cooperation between the Commission and the Arab Funds (fund of Saudi Arabia, Kuwait, Abu Dhabi, Qatar, OPEC, and others) concentrating on co-financing projects in the framework of Lome I and II. See Agence Europe No. 3383, 4 June 1982; No 3387, 10 June 1982.
- 65 Alfred TOVIAS, *La politique Méditerranéenne de la CEE face au dialogue euro-arabe et les plans de coopération avec les pays du golfe: projets complémentaires ou rivaux?* in: *Colloque CEDECE, op.cit.* pp. 238-248, discusses a functionalist approach according to the different interests of the Arab Mediterranean countries compared with those of Cyprus, Israel or Yugoslavia. In his proposal the field of financial and technological cooperation between the Ten and the Maghreb/Mashreq countries could be discussed in the framework of the EAd whereas trade should be tackled with due to ACP rules (p. 246).
- 66 See for this in general Stefan A. MUSTO, *The EEC in search of a new Mediterranean policy, op.cit.*, pp. 3 ff.
- 67 According to Françoise de la SERRE, *The Community's Mediterranean Policy after the second enlargement*, in: *Journal of Common Market Studies*, No. 4, June 1981, pp. 377-387, the present situation "does however compel Greece's partners within the Community to calm Turkish fears (perhaps by associating Ankara with the process of political cooperation?)" (p. 384).

68 Com (82) 353 final, op.cit., p. 16.

69 Ibid., p. 12.

70 Ibid., p. 11.

71 Ibid., p. 15.

72 Ibid., p. 12.

73 Ibid., p. 18.

74 See note 66 above.

75 Com (82) 353 final, op.cit., p. 8.

Table 1

Network of EEC Agreements with Mediterranean Countries (except the acceding countries)

Country	Year	Agricultural concessions	Industrial concessions	Financial aid 1977-81 in mill. ECU			End of the agreement	Financial aid (second Protocol) 1981-86 in mill. ECU		
				EIB loans	EC-Budget			EIB loans	EC-Budget	
					spec. loans	grants			spec. loans	grants
Algeria	1977	Tariff preferences of 30-100% for agricultural products. Special arrangements for vegetables and olive oil	Free access to EEC market for industrial goods (exceptions: cork and refinery products)	70	19	25	31.10.81	107	16	28
Tunisia				41	39	15	31.10.81	78	24	37
Morocco				56	58	16	31.10.81	90	42	67
Egypt	1976	Tariff reduction of 40-100% for various agricultural products	Free access to EEC market (exceptions: limitations and tariff ceilings for some sensitive products)	93	14	63	31.10.81	150	50	76
Jordan				18	4	18	31.10.81	37	7	19
Syria				34	7	19	31.10.81	64	11	22
Lebanon				20	2	8	31.10.81	34	5	11
Turkey	1964	Tariff reduction for a number of products	Free access to EEC (exception: oil and textile products)	Total: 745			31.10.81	225 ¹⁾	325 ¹⁾	50 ¹⁾
Cyprus	1973	Tariff reductions for a number of products	Tariff reductions: 70%	20	4	6	31.12.83			
Malta	1971	Tariff reductions 40-75% for certain products (calendar limitations)	Tariff preference of 70% (exception: textile products)	16	5	5	31.10.83			
Israel	1975	Tariff reduction: 20-80% Special arrangements for a number of goods	Free access to EEC market	30			31.10.81	40	-	-
Yugoslavia	1980	Tariff reductions in connection with tariff ceilings for wine, tobacco, meat	Free access to EEC, tariff ceiling for 29 products	Total: 200			30.6.85			

NOTES:

1) at present, the money is blocked due to the political development in Turkey.

SOURCE: Own calculations referring to Stefan A. MUSTO, The EEC in search of a new Mediterranean policy (copied manuscript), to appear in: C. Pinkele (ed.), Stability and Change in the Mediterranean, Praeger Publication, N.Y. 1982; p.8.

Kommission der Europäischen Gemeinschaften, Fünfzehnter Gesamtbericht über die Tätigkeit der Europäischen Gemeinschaften 1981, Luxemburg 1982, p. 295, 300.

Table 2

Share of EC in total Foreign Trade of Mediterranean littoral countries, 1968-1979

	Algeria T ²⁾		Morocco T		Tunisia T		Egypt T		Syria T		Lebanon ¹⁾ T		Jordan T		Turkey T		Cyprus T			Malta T		Israel T		Yugoslavia T	
	Ex	Im	Ex	Im	Ex	Im	Ex	Im	Ex	Im	Ex	Im	Ex	Im	Ex	Im	Ex	Im		Ex	Im	Ex	Im	Ex	Im
1970	73,7	69,3	67,5	56,1	59,1	58,2	11,7	28,7	1,3	26,9	9,9	40,1	5,0	33,7	48,1	44,9			1970	65,7	72,5	37,8	47,1	39,0	46,4
1971	69,0	67,1	62,9	53,9	60,7	58,3	10,4	23,8	37,4	27,7	10,4	42,9	9,1	24,8	45,7	44,9			1971	67,8	69,5	37,6	47,1	35,6	44,1
1972	62,3	67,7	63,9	55,1	55,6	59,9	12,2	24,7	20,4	31,8	10,7	42,6	7,5	28,4	45,7	52,7	55,7		1972	74,2	70,2	36,5	54,2	35,7	44,4
1973	64,7	66,9	64,6	54,4	62,3	62,9	16,0	29,6	25,2	37,0	11,6	44,9	8,5	28,2	46,4	54,4	55,0		1973	72,4	69,3	37,2	53,9	35,8	42,3
1974	54,3	60,4	54,7	50,7	55,4	62,9	17,3	31,8	30,9	39,2	-----	-----	2,0	29,4	46,6	44,7	50,4		1974	64,7	66	38,3	47,2	27,3	39,9
1975	54,9	61,8	54,1	52,1	55,9	59,5	11,8	33,8	47,5	39,5	-----	-----	6,6	32,9	43,9	48,6	43,7	45,8	1975	64,8	67,7	37,4	42,0	22,8	41,1
1976	45,4	60,0	57,2	52,3	47,8	63,8	21,7	38,0	48,7	39,9	-----	-----	9,7	37,1	48,9	44,6	33,2	47,4	1976	60,3	65,7	36,6	42,7	27,1	39,1
1977	37,9	57,0	55,9	48,2	51,8	61,2	24,8	36,6	46,8	38,2	-----	-----	5,9	34,8	49,5	41,9	34,0	46,2	1977	67,8	68,2	35,7	40,7	26,5	39,5
1978	37,7	59,0	56,9	49,4	57,4	63,6	30,9	38,6	44,6	35,2	-----	-----	6,5	35,9	47,6	39,5	31,1	50,2	1978	69,9	72,1	34,3	41,8	23,0	38,4
1979	36,7	62,3	59,2	50,2	58,4	55,8	38,7	50,7	52,0	36,1	-----	-----	5,3	36,0	48,5	35,1	32,7	46,8	1979	73,1	71,9	38,3	36,6	28,4	40,7

1) No further dates available

2) T = Trend

Source: Own calculations according to UN Yearbook of International Trade Statistics 1980, Vol. 1 (Trade by Country), New York 1981; compare: Heinz KRAMER, Konsequenz der Süderweiterung für die Stellung der EG im Nord-Süd-Kontext unter besonderer Berücksichtigung des Mittelmeerraumes, Ebenhausen 1980, p. 84.

Table 3

EC Trade with principal economic and geographic zones imports in Mio Dollars

	1963	%	1970	%	1973	%	1976	%	1979	%
World (extra EC)	33428,3	100	59547,9	100	103994,6	100	173890,8	100	294885,1	100
USA	6675,1	20,0	12226,0	20,5	17956,4	17,3	27334,2	15,7	46094,4	15,6
Japan	509,7	1,5	1643,4	2,8	4181,3	4,0	7055,1	4,1	13406,8	4,5
Candidates	931,9	2,8	2026,1	3,4	4773,5	4,6	7247,9	4,2	14687,8	5,0
Other W. Europe	5477,3	16,4	10758,8	18,1	19348,9	18,6	28403,8	16,3	56664,6	19,2
Africa	4326,5	12,9	8420,8	14,1	12045,6	11,6	19902,6	11,4	33705,6	11,4
Asia	5115,7	15,3	8302,6	13,8	19547,9	18,8	47341,7	27,2	69505,3	23,6
ASEAN	390,6	1,2	992,4	1,7	2194,2	2,1	3710,2	2,1	7568,4	2,6
Saudi Arabia	324,7	1,0	1266,4	2,1	4563,2	4,4	13289,4	7,6	19248,0	6,5
Latin America	3028,4	9,1	4353,0	7,3	6756,8	6,5	8914,9	5,1	15683,1	5,3
ACP (53)	2849,9	8,5	4600,7	7,7	7339,1	7,1	11511,0	6,6	20178,7	6,8
Mag/Mash	1567,3	4,7	1804,8	3,0	2735,0	2,6	5363,2	3,1	9242,0	3,1
OPEC	4782,1	14,3	9115,0	15,3	18824,1	18,1	46293,4	26,6	66070,2	22,4
USSR	863,4	2,6	1267,3	2,1	2361,3	2,3	6136,0	3,5	11281,0	3,8
Oth. Eur. CPE	1058,3	3,2	2294,4	3,9	4483,3	4,3	6421,8	3,7	10547,7	3,6

SOURCE: Own calculations according to: Statistical Office of the European Communities, EC - World Trade. A statistical analysis 1963-1973, Luxemburg, 1981, p. 80.

Table 4

EC Trade with principal economic and geographic zones / exports in Mio Dollars

	1963	%	1970	%	1973	%	1976	%	1979	%
World (extra EC)	28392,4	100	55930,4	100	99715,0	100	157156,9	100	265653,5	100
USA	3740,8	13,2	9149,5	16,4	15666,5	15,7	18125,6	11,5	34352,6	12,9
Japan	511,1	1,8	1367,6	2,4	2837,2	2,8	3036,3	1,9	6337,5	2,4
Candidates	1664,3	5,9	3609,8	6,5	7719,7	7,7	10262,9	6,5	17931,9	6,8
Other W. Europe	7358,1	25,9	14654,5	26,2	26376,5	26,5	38059,7	24,2	67648,3	25,5
Africa	3532,8	12,4	5530,8	9,9	9622,3	9,6	20393,9	13,0	33100,5	12,5
Asia	3673,5	12,9	6244,8	11,2	11997,4	12,0	28375,6	18,1	46638,2	17,6
ASEAN	581,5	2,0	1228,8	2,2	2043,9	2,0	3448,6	2,2	5941,5	2,2
Saudi Arabia	87,0	0,3	256,2	0,5	516,1	0,5	3444,5	2,2	8762,1	3,3
Latin America	1892,7	6,7	3297,1	5,9	5421,6	5,4	8169,4	5,2	13941,9	5,2
ACP (53)	2203,8	7,8	3446,9	6,2	5435,9	5,5	11013,8	7,0	16185,4	6,1
Mag/Mash	1632,6	5,8	2152,0	3,8	4004,7	4,0	8942,7	5,7	15690,5	5,9
OPEC	2098,7	7,4	3847,1	6,9	8033,0	18,1	26212,4	16,7	39096,5	14,7
USSR	578,8	2,0	1363,2	2,4	2664,2	2,7	5759,1	3,7	8649,3	3,3
Oth. Eur. CPE	942,3	3,3	2395,1	4,3	5354,6	5,4	8231,2	5,2	11455,7	4,3

SOURCE: Own calculations according to: Statistical Office of the European Communities, EC - World Trade, op. cit. p. 95 (see Table 3).

Table 5

EEC-Trade with the Mediterranean Basin¹⁾ and OPEC
in Mio ECU (1980) and %

imports					
Extra-EEC total		from Mediterranean Basin ¹⁾		OPEC ²⁾	
272 861	100	32 220	11,8	68 191	25,0
exports					
Extra-EEC total		to Mediterranean Basin		OPEC	
219 287		38 373	17,5	37 346	17,0
Trade balance ³⁾					
Eur 10		Mediterranean Basin		OPEC	
- 53 574		+ 6 153		- 37 346	
Exports as % of imports					
Eur 10		Mediterranean Basin		OPEC	
80,4		119,1		54,8	

SOURCE: Own calculations according to Eurostat, monthly external trade Bulletin 2/1982, p. 19, 32 f.

NOTES:

1) including: Cyprus, Lebanon, Syria, Israel, Jordan, Greece, Albania, Portugal, Spain, Andorra, Gibraltar, Malta, Yugoslavia, Turkey, Canary Islands, Morocco, Ceuta and Melilla, Algeria, Tunisia, Libya, Egypt.

2) including: Algeria, Libya, Qatar, Nigeria, Gabon, United Arab Emirates, Venezuela, Ecuador, Indonesia, Iraq, Iran, Saudi Arabia, Kuwait

3) - = Import surplus
+ = Export surplus

For table 6, 7, 8

ECONOMIC ZONES

Class 1		Class 2	
Western industrialized		Developing countries	1030
third countries	1020	ACP	
EFTA		Countries of Africa, the	
European Free Trade Area	1021	Caribbean and the Pacific -	
Oth. West. Europe		Lomé Convention	1031
Other Western Europe		Class 3	
countries	1022	Countries with State-trade	1040
USA and Canada		Eastern Europe	
United States of America		European countries with	
and Canada	1023	State-trade	1041

EUROPE

OTHER EUROPEAN COUNTRIES

O24 Iceland	1021	236 Upper Volta	1031
O25 Faroe Islands	1022	240 Niger	1031
O28 Norway	1021	244 Chad	1031
O30 Sweden	1021	247 Republic of Cape Verde	1031
O32 Finland	1021	248 Senegal	1031
O36 Switzerland	1021	252 Gambia	1031
O38 Austria	1021	257 Guinea Bissau	1031
O40 Portugal	1021	260 Guinea	1031
O42 Spain	1022	264 Sierra Leone	1031
O43 Andorra	1022	268 Liberia	1031
O44 Gibraltar	1022	272 Ivory Coast	1031
O45 Vatican City State	1022	276 Ghana	1031
O46 Malta	1022	280 Togo	1031
O48 Yugoslavia	1022	284 Benin	1031
O52 Turkey	1022	288 Nigeria	1031
O56 Soviet Union	1041		
O58 German Democratic Republic	1041		
O60 Poland	1041		
O62 Czechoslovakia	1041		
O64 Hungary	1041		
O66 Romania	1041		
O68 Bulgaria	1041		
O70 Albania	1041		

AFRICA

NORTH AFRICA

202 Canary Islands	1038
204 Morocco	1038
205 Ceuta and Melilla	1038
208 Algeria	1038
212 Tunisia	1038
216 Libya	1038
220 Egypt	1038
224 Sudan	1031

WEST AFRICA

228 Mauritania	1031
232 Mali	1031

CENTRAL, EAST AND SOUTH AFRICA

302 Cameroon	1031
306 Central African Republic	1031
310 Equatorial Guinea	1031
311 Sao Tomé and Príncipe	1031
314 Gabon	1031
318 Congo	1031
322 Zaire	1031
324 Rwanda	1031
328 Burundi	1031
329 St. Helena and dependencies	1033
330 Angola	1038
334 Ethiopia	1031
338 Djibouti	1031
342 Somalia	1031
346 Kenya	1031
350 Uganda	1031
352 Tanzania	1031
355 Seychelles and dependencies	1031
357 British Indian Ocean Territory	1033

366 Mozambique	1038	504 Peru	1038
370 Madagascar	1031	508 Brazil	1038
372 Réunion	1032	512 Chile	1038
373 Mauritius	1031	516 Bolivia	1038
375 Comoros	1031	520 Paraguay	1038
377 Mayotte	1032	524 Uruguay	1038
378 Zambia	1031	528 Argentina	1038
382 Zimbabwe (form. Rhodesia)	1038	529 Falkland Islands and dependencies	1033
386 Malawi	1031		
390 Republic of South Africa and Namibia	1028		
391 Botswana	1031		
393 Swaziland	1031		
395 Lesotho	1031		
		<u>ASIA</u>	
		<u>NEAR AND MIDDLE EAST</u>	
		600 Cyprus	1038
		604 Lebanon	1038
		608 Syria	1038
		612 Iraq	1038
		616 Iran	1038
		624 Israel	1038
		628 Jordan	1038
		632 Saudi Arabia	1038
		636 Kuwait	1038
		640 Bahrain	1038
		644 Qatar	1038
		647 United Arab Emirates	1038
		649 Oman	1038
		652 North Yemen	1038
		656 South Yemen	1038
		<u>OTHER ASIAN COUNTRIES</u>	
		660 Afghanistan	1038
		662 Pakistan	1038
		664 India	1038
		666 Bangladesh	1038
		667 Maldives	1038
		669 Sri Lanka	1038
		672 Nepal	1038
		675 Bhutan	1038
		676 Burma	1038
		680 Thailand	1038
		684 Laos	1038
		690 Vietnam	1048
		696 Kampuchea (Cambodia)	1038
		700 Indonesia	1038
		701 Malaysia	1038
		703 Brunei	1038
		706 Singapore	1038
		708 Philippines	1038
		716 Mongolia	1048
		720 China	1048
		724 North Korea	1048
		728 South Korea	1038
		732 Japan	1028
		736 Taiwan	1038
		740 Hong Kong	1038
		743 Macao	1038
<u>AMERICA</u>			
<u>NORTH AMERICA</u>			
400 United States of America	1023		
404 Canada	1023		
406 Greenland	1032		
408 St. Pierre and Miquelon	1032		
<u>CENTRAL AND SOUTH AMERICA</u>			
412 Mexico	1038		
413 Bermuda	1033		
416 Guatemala	1038		
421 Belize	1033		
424 Honduras	1038		
428 El Salvador	1038		
432 Nicaragua	1038		
436 Costa Rica	1038		
442 Panama (incl. the former Canal Zone)	1038		
448 Cuba	1048		
451 West Indies	1033		
452 Haiti	1038		
453 Bahamas	1031		
454 Turks and Caicos Islands	1033		
456 Dominican Republic	1038		
457 Virgin Islands of the United States	1038		
458 Guadeloupe	1032		
460 Dominica	1031		
462 Martinique	1032		
463 Cayman Islands	1033		
464 Jamaica	1031		
465 St. Lucia	1031		
467 St. Vincent	1031		
469 Barbados	1031		
472 Trinidad and Tobago	1031		
473 Grenada	1031		
476 Netherlands Antilles	1033		
480 Colombia	1038		
484 Venezuela	1038		
488 Guyana	1031		
492 Surinam	1031		
496 French Guiana	1032		
500 Ecuador	1038		

AUSTRALASIA, OCEANIA

AND OTHER TERRITORIES

800 Australia	1028	812 Kiribati	1031
801 Papua New Guinea	1031	813 Pitcairn	1038
802 Australian Oceania	1033	814 New Zealand Oceania	1038
803 Nauru	1038	815 Fiji	1031
804 New Zealand	1028	816 Vanuatu (form. New Hebrides)	1036
806 Solomon Islands	1031	817 Tonga	1031
807 Tuvalu	1031	819 Western Samoa	1031
808 American Oceania	1038	822 French Polynesia	1033
809 New Caledonia and dependencies	1033	890 Polar regions	1038
811 Wallis and Futuna Islands	1033		

Table 6

EC-trade by partner countries (Import)

Jan.-Dec. 1980	Jan.-Dec. 1980	EUR-9	Federal Rep. of Germany	France	Italy	Netherlands	Belg.-Lux.	United Kingdom	Ireland	Denmark
Trading partners	1 000 ECU ¹⁾									
GRAND TOTAL										
Grand Total	518.929.548	135.242.586	97.101.998	71.826.663	55.368.558	51.631.590	85.652.970	7.999.165	14.106.018	
Intra-EC (EUR-9)	247.363.542	63.524.352	44.618.338	31.443.715	29.486.507	32.519.411	32.899.599	5.954.256	6.917.364	
Extra-EC (EUR-9)	271.566.006	71.718.234	52.483.660	40.382.948	25.882.051	19.112.179	52.753.371	2.044.909	7.188.654	
Class I	134.114.031	37.564.605	21.354.196	15.386.975	10.964.762	9.646.684	32.844.596	1.294.053	5.058.160	
EFTA	48.887.403	16.333.112	5.946.533	4.770.078	3.437.356	3.075.807	11.551.593	307.505	3.465.419	
Oth. West. Europe	13.773.758	4.278.670	3.521.409	2.380.968	901.717	642.266	1.798.170	64.780	185.778	
USA and Canada	50.365.963	11.130.990	8.480.293	5.734.916	5.283.384	4.340.662	13.700.266	714.424	981.028	
Class II	114.562.415	27.163.400	26.352.300	20.743.583	13.012.313	8.098.716	17.243.142	598.506	1.350.455	
ACP (59 Countries.)	18.923.472	4.368.478	4.944.552	2.254.784	3.042.295	1.682.600	2.355.223	78.978	196.562	
Class III	21.942.898	6.899.289	4.189.681	4.233.598	1.903.806	1.330.534	2.499.642	106.329	780.019	
Eastern Europe	19.621.953	6.159.101	3.787.439	3.870.942	1.165.036	1.165.036	2.156.988	96.751	732.310	
Portugal	1.960.631	472.326	367.042	215.257	152.708	113.559	562.185	15.155	62.399	
Spain	8.049.685	1.727.996	2.806.550	1.141.313	454.910	441.325	1.333.223	50.520	93.848	
Malta	253.280	107.913	12.188	24.826	18.591	18.729	67.228	659	3.146	
Yugoslavia	2.057.180	920.861	200.401	643.444	141.174	48.924	84.554	2.576	15.246	
Greece	2.300.795	1.085.821	330.937	350.442	215.974	78.480	205.654	6.011	27.476	
Turkey	995.993	417.504	153.595	203.397	69.571	53.461	85.434	3.376	9.655	
Morocco	1.168.767	193.476	556.995	116.132	93.059	100.691	92.605	4.459	11.350	
Algeria	4.026.935	1.641.441	1.237.898	511.820	290.156	149.519	190.154	3.980	1.967	
Tunisia	1.098.032	226.208	281.206	445.908	68.412	50.922	17.527	3.739	4.110	
Egypt	1.745.981	145.955	91.182	1.135.989	67.301	39.687	259.709	528	5.630	
Cyprus	265.381	17.584	4.876	36.934	8.638	4.295	186.422	3.488	3.144	
Syria	930.153	93.574	85.953	709.870	18.361	10.813	10.079	1	1.502	
Israel	1.598.925	434.445	222.556	221.929	147.651	169.686	366.126	15.500	21.032	
Mediterranean Basin (Total)	26.451.738	7.485.104	6.351.379	5.757.261	1.746.506	1.280.091	3.460.900	109.463	260.505	

SOURCE: Europstat, EC-Trade by commodity classes and main countries, from Supplement to the Monthly External Trade Bulletin, 4/5/1981, pp. 2, 3.

1) % = % of extra EEC

Table 1

EC-trade by partner countries (export)

Jan.-Dec. 1980	Jan.-Dec. 1980	EUR-9	Federal Rep. of Germany	France	Italy	Netherlands	Belg.-Lux.	United Kingdom	Ireland	Denmark
Trading partners	1 000 ECU	1 000 ECU	1 000 ECU	1 000 ECU	1 000 ECU	1 000 ECU	1 000 ECU	1 000 ECU	1 000 ECU	1 000 ECU
GRAND TOTAL										
Grand Total	475.055.459	138.787.240	80.150.165	56.115.145	53.184.112	46.459.314	82.063.379	6.101.257	12.194.847	
Intra-EC (EUR-9)	250.609.772	66.642.262	40.785.298	26.660.451	18.027.472	33.162.873	34.691.731	4.543.940	6.095.745	
Intra-EC (EUR-9)	224.445.687	72.144.978	39.364.867	29.454.694	15.156.640	13.296.441	47.371.648	1.557.317	6.099.102	
Class 1	118.978.008 53,0	43.381.263 60,1	16.659.887 42,3	13.328.951 45,3	6.991.413 46,1	6.744.753 50,7	26.698.408 56,4	809.553 52,0	4.363.780 71,5	
EFTA	57.023.244 25,4	23.372.071 32,4	6.728.516 17,1	5.403.156 18,3	3.652.751 24,1	3.651.433 27,5	10.926.717 23,1	226.542 14,5	3.062.058 50,2	
Oth. West. Europe	18.641.172 8,3	6.305.668 8,7	4.168.261 10,6	3.289.000 11,2	1.238.420 8,2	878.702 6,6	2.321.605 4,9	99.475 6,4	340.041 5,6	
USA and Canada	29.952.652 13,3	9.371.616 13,0	4.033.201 10,2	3.330.955 11,3	1.476.586 9,7	1.685.494 12,7	9.012.135 19,0	399.103 25,6	643.562 10,6	
Class 2	83.388.240 37,2	20.420.671 28,3	18.691.608 47,5	13.090.183 44,4	5.861.394 38,7	5.152.853 38,8	18.186.226 38,4	581.936 37,4	1.403.369 23,0	
ACP (59 countr.)	15.684.062 7,0	2.575.428 3,6	4.645.190 11,8	1.385.388 4,7	1.320.672 8,7	999.943 7,5	4.477.342 9,5	91.775 5,9	188.324 3,1	
Class 3	18.721.080 8,3	7.759.647 10,8	3.807.438 9,7	2.250.371 7,6	1.176.581 7,8	1.048.772 7,9	2.251.592 4,8	96.031 6,2	330.648 5,4	
Eastern Europe	16.374.508 7,3	6.823.119 9,5	3.349.058 8,5	1.988.052 6,7	1.025.653 6,8	943.616 7,1	1.883.161 4,0	79.228 5,1	282.621 4,6	
Portugal	2.895.390 1,3	828.160 1,1	561.615 1,4	366.376 1,2	224.605 1,5	211.385 1,6	648.139 1,4	15.358 1,0	39.752 0,7	
Spain	7.580.772 3,4	2.007.829 2,8	2.244.220 5,7	1.068.779 3,6	503.629 3,3	428.583 3,2	1.178.870 2,5	53.833 3,5	95.029 1,6	
Malta	482.676 0,2	90.414 0,1	21.699 0,1	148.358 0,5	22.482 0,1	27.067 0,2	145.137 0,3	11.183 0,7	16.336 0,3	
Yugoslavia	4.130.751 1,8	2.056.992 2,9	511.211 1,3	879.888 3,0	191.151 1,3	118.512 0,9	317.497 0,7	8.894 0,6	46.606 0,8	
Greece	4.213.976 1,9	1.495.183 2,1	847.391 2,2	859.392 2,9	351.998 2,3	197.464 1,5	373.625 0,8	23.343 1,5	65.580 1,1	
Turkey	1.820.620 0,8	639.252 0,9	369.851 0,9	307.704 1,0	146.290 1,0	102.649 0,8	245.760 0,5	1.575 0,1	7.539 0,1	
Morocco	1.479.169 0,7	170.573 0,2	856.046 2,2	169.976 0,6	79.748 0,5	76.317 0,6	111.192 0,2	5.138 0,3	10.179 0,2	
Algeria	4.710.302 2,1	990.850 1,4	1.890.978 4,8	932.722 3,2	191.372 1,3	427.514 3,5	235.534 0,5	21.154 1,4	20.178 0,3	
Tunisia	1.541.313 0,7	268.460 0,4	673.594 1,7	379.276 1,3	63.329 0,4	76.268 0,6	49.868 0,1	25.179 1,6	5.339 0,1	
Egypt	3.105.380 1,4	736.035 1,0	938.486 2,4	475.359 1,6	153.553 1,0	153.159 1,2	577.896 1,2	30.550 2,0	40.342 0,7	
Cyprus	521.626 0,2	72.330 0,1	42.334 0,1	94.572 0,3	25.961 0,2	16.173 0,1	255.564 0,5	4.054 0,3	10.638 0,2	
Lebanon	1.032.287 0,5	176.574 0,2	250.292 0,6	339.501 1,2	52.293 0,3	78.931 0,6	117.795 0,2	4.599 0,3	12.302 0,2	
Syria	1.244.898 0,6	324.402 0,4	235.249 0,6	372.654 1,3	83.256 0,5	71.202 0,5	136.166 0,3	8.056 0,5	13.913 0,2	
Israel	1.675.878 0,7	516.662 0,7	187.892 0,5	206.856 0,7	112.570 0,7	241.285 1,8	386.621 0,8	6.276 0,4	17.716 0,3	
Jordan	686.962 0,3	185.882 0,3	141.706 0,4	105.768 0,4	36.303 0,2	36.215 0,3	167.014 0,4	3.939 0,3	10.135 0,2	
Mediterranean Basin (Total)	37.122.000 16,5	10.559.598 14,6	9.772.564 24,8	6.707.181 22,8	2.230.540 14,8	2.262.724 17,0	4.946.678 10,4	223.131 14,3	411.584 6,7	

SOURCE: Calculated from Eurostat, Trade by commodity classes - Supplement 4/5 1981, op.cit., pp. 4, 5.

1) % of extra EEC-

Table 8

Structure of exports of Mediterranean countries towards "EC" by commodity classes, 1973-1980 (in %)

Country MOROCCO							ALGERIA					
SITC	1973	1976	1977	1978	1979	1980	1973	1976	1977	1978	1979	1980
0 + 1	54,6	36,9	34,8	40,4	36,5	33,5	8,0	2,1	2,1	1,8	1,0	-
3	0,5	0,4	0,3	0,5	2,7	4,0	87,9	94,6	95,1	94,8	96,4	98,2
2 + 4	33,5	41,6	37,1	54,0	34,3	37,3	1,0	1,9	1,2	1,1	1,0	0,7
5	0,8	2,1	5,7	5,4	4,5	2,7	0,2	0,2	0,2	0,5	0,4	0,2
7	0,7	0,3	0,6	1,8	1,9	2,2	0,7	0,0	0,0	0,3	0,3	0,4
6 + 8	9,0	18,6	21,4	17,6	19,7	20,1	1,9	1,1	1,3	1,2	0,7	0,4
Country TUNISIA							EGYPT					
SITC	1973	1976	1977	1978	1979	1980	1973	1976	1977	1978	1979	1980
0 + 1	22,6	9,1	8,1	9,5	7,5	5,8	24,9	17,4	16,9	4,7	4,6	3,7
3	11,5	23,1	25,8	29,5	31,3	35,4	26,7	48,1	49,0	77,6	74,9	80,2
2 + 4	38,0	27,6	15,8	11,6	13,6	12,4	33,4	20,0	20,1	7,9	6,1	5,5
5	12,2	12,8	13,3	9,5	9,4	11,3	2,2	1,3	2,4	0,7	0,6	0,3
7	0,4	1,8	1,9	2,8	3,1	2,7	0,5	0,1	0,0	0,9	2,7	2,3
6 + 8	15,0	25,6	35,1	36,5	34,7	32,0	12,1	12,9	11,5	7,6	9,8	7,7
Country SYRIA							JORDAN ¹⁾					
SITC	1973	1976	1977	1978	1979	1980	1973	1976	1977	1978	1979	1980
0 + 1	10,4	0,7	-	-	-	-	9,7	0,0	0,1	-	-	-
3	53,5	89,9	-	85,3	88,5	94,5	-	0,0	0,0	-	-	-
2 + 4	32,1	8,4	-	11,7	8,6	3,7	18,8	99,7	99,0	-	-	-
5	-	-	-	-	-	-	-	0,0	0,0	-	-	-
7	0,9	0,2	-	1,2	0,5	0,5	53,7	0,0	0,0	62,3	-	-
6 + 8	2,7	0,6	-	0,9	1,1	0,8	11,9	0,3	0,8	37,7	-	-
Country MALTA							ISRAEL					
SITC	1973	1976	1977	1978	1979	1980	1973	1976	1977	1978	1979	1980
0 + 1	-	6,5	5,7	-	-	-	39,5	27,2	25,9	28,0	36,8	23,8
3	-	0,0	0,0	0,0	0,1	2,0	4,0	0,0	0,0	2,4	2,4	5,2
2 + 4	-	1,5	1,2	-	-	-	6,0	8,3	8,2	10,7	15,2	11,5
5	-	-	0,2	-	-	0,5	7,5	12,2	10,7	8,1	7,2	12,0
7	12,0	6,0	4,7	8,0	10,8	9,5	6,0	4,0	4,3	4,1	3,2	4,6
6 + 8	86,0	85,8	88,2	91,9	89,1	87,9	37,0	48,2	50,8	46,7	35,2	42,9
Country CYPRUS							JUGOSLAVIA					
SITC	1973	1976	1977	1978	1979	1980	1973	1976	1977	1978	1979	1980
0 + 1	72,0	82,5	78,7	48,8	62,3	47,5	20,0	21,1	18,7	12,8	11,4	11,1
3	-	-	-	0,0	-	3,5	-	1,8	6,0	5,8	3,5	6,4
2 + 4	16,0	8,8	9,0	-	-	-	12,0	15,8	18,7	11,3	11,6	11,1
5	-	-	0,1	0,2	0,3	0,4	4,0	5,4	5,0	3,4	4,1	3,7
7	2,0	2,6	1,0	36,3	18,9	32,1	14,0	20,2	20,4	22,4	22,6	22,0
6 + 8	3,0	5,6	10,6	14,7	18,5	16,5	50,0	35,7	31,0	44,3	46,7	45,6
Country LEBANON							TURKEY					
SITC	1973	1976	1977	1978	1979	1980	1973	1976	1977	1978	1979	1980
0 + 1	-	-	-	-	-	-	42,0	35,8	45,4	39,2	34,1	43,4
3	-	55,0	-	10,1	47,3	0,0	3,0	1,2	0,0	0,0	2,8	1,2
2 + 4	37,0	-	-	-	-	42,4	33,0	30,2	22,8	26,9	25,7	20,7
5	1,0	10,5	-	8,2	-	1,8	1,0	2,5	1,3	0,7	1,1	1,2
7	11,0	10,5	-	14,8	20,4	8,2	2,0	0,2	0,5	1,0	1,1	1,9
6 + 8	21,0	24,0	-	66,9	32,3	47,6	17,0	30,1	30,0	32,2	35,2	31,6

1) No further dates available

LEGEND to table 11: 0 + 1: Food, Beverages, Tobacco; 3: Fuel Products; 2 + 4: Raw Materials; 5: Chemicals; 7: Machinery and transport equipment; 6 + 8: other manufactured goods

SOURCE: Calculated from Eurostat, EG-trade by commodity classes and main countries, various issues.

Table 9

Growth and distribution of world industrial production in the year 2000

Region	Growth rates 1975-2000		Regional distribution of industrial value added in the year 2000			
	Scenarios		Scenarios			
	C	D	C	D	A	B2
<u>OECD</u>	<u>2,3</u>	<u>3,3</u>	<u>48,7</u>	<u>49,6</u>	<u>51,4</u>	<u>50,5</u>
North America	2,3	2,4	23,1	18,7	19,3	18,3
Japan	2,6	5,0	5,8	8,5	9,0	10,2
EEC	2,1	3,1	14,9	15,7	15,8	15,9
Others	2,8	4,4	4,9	6,6	7,0	6,1
Eastern Europe	4,4	5,0	24,0	23,0	21,0	23,2
China	5,9	7,3	8,2	9,6	8,0	9,6
<u>Third World</u>	<u>6,4</u>	<u>7,3</u>	<u>19,1</u>	<u>17,7</u>	<u>16,4</u>	<u>16,7</u>
Latin America	7,1	7,8	11,0	10,7	9,4	9,9
East and South East Asia	7,5	7,2	3,6	2,7	3,0	2,9
South Asia	4,1	4,5	1,4	1,4	1,5	1,5
North Africa/ Middle East	7,0	7,0	2,4	2,0	1,7	1,6
	3,4	4,7	0,7	0,9	0,8	0,8
World	3,2	4,4	100,0	100,0	100,0	100,0

NOTES:

- 1) North America: Canada, United States
- 2) Japan
- 3) European Economic Community: Belgium, Denmark, France, Germany (Federal Republic), Ireland, Italy, Luxembourg, Netherlands, United Kingdom
- 4) Other West European countries: Austria, Cyprus, Finland, Greece, Ireland, Malta, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, Yugoslavia

- 5) Oceania and South Africa: Australia, Fiji Islands, Gilbert and Ellice Islands, Guam, New Caledonia, New Hebrides, New Zealand, Pacific Islands under mandate, French Polynesia, American Samoa, Western Samoa, Solomon Islands, South Africa, Tonga, Papua New Guinea
- 6) USSR and East Europe: Albania, Bulgaria, Czechoslovakia, Germany (Democratic Republic), Hungary, Mongolia, Poland, Rumania, USSR
- 7) Latin America: Argentina, Belize, Bolivia, Brazil, Caribbean, (other nations and territories), Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, Guatemala, Guyana, French Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, El Salvador, Surinam, Trinidad and Tobago, Uruguay, Venezuela
- 8) South Asia: Afghanistan, Bangladesh, Bhutan, Brunei, Burma, India, Macao, Maldivé Islands, Nepal, Pakistan, Sri Lanka
- 9) East and South East Asia: Hong Kong, Indonesia, Kampuchea, Korean Democratic Republic, Korea, Laos, Malaysia, Philippines, Singapore, Taiwan, Thailand, Vietnam
- 10) China
- 11) West Asia and North Africa: Algeria, United Arab Emirates, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, Yemen (Aden), Yemen (Sana)
- 12) Subsaharan Africa: All African countries except those in Regions 3 and 11.

The Scenarios refer to the relationship of developed countries and the Third World.

A: high-growth scenario

B2: convergent-moderate-growth scenario

C: North-South rift scenario

D: protectionist scenario (assumption of new regional groupings)

SOURCE: OECD, Interfutures. Research Project on "The future development of advanced industrial societies in harmony with that of developing countries, Paris 1979, pp. 331, 85 ff.

Table 10

EEC TNE involvement in the Maghreb and Mashreq and in Greece, Portugal and Spain, by country of origin and industry

Country of origin	Total number	%	Mashreq	Maghreb	Greece	Portugal	Spain
United Kingdom	229	100	0,6	0,3	0,5	0,8	2,1
West Germany	792	100	0,8	0,6	1,5	1,3	5,7
France	429	100	1,6	7,5	0,6	2,5	9,3
Italy	133	100	1,8	4,1	0,9	1,7	14,0
Belgium-Luxembourg	276	100	0,6	1,4	0,9	2,4	5,3
Netherlands	479	100	0,0	1,7	0,4	0,4	2,0

Industry	Total number	%	Mashreq	Maghreb	Greece	Portugal	Spain
Food and tobacco	685	100	0,0	0,0	0,1	0,7	1,8
Textiles and apparel	279	100	0,0	0,0	0,0	1,4	3,6
Wood, furniture and paper	210	100	0,0	1,0	0,0	0,5	1,0
Chemicals	1258	100	0,5	0,5	0,6	1,4	4,8
Petroleum	192	100	2,1	4,2	0,0	0,5	1,6
Rubber and tyres	106	100	0,0	0,0	1,9	0,9	7,5
Primary metals	413	100	0,7	0,2	0,2	1,2	2,2
Fabricated metals and machinery	605	100	0,5	0,5	0,3	0,7	2,1
Electric and electronic	787	100	0,8	0,5	1,3	0,5	3,6
Transportation equipment	246	100	0,8	0,8	0,0	2,0	5,7
Precision goods	78	100	0,0	0,0	0,0	0,0	2,6
Other	336	100	0,6	0,0	0,3	0,6	4,8

NOTES: The table provides a percentage breakdown of number of manufacturing subsidiaries of non-US based parent systems from EEC countries and others by subsidiary's country and/or region and national base of subsidiary's parent system and the principal industry group (as of 1 January 1971).

SOURCE: Philip MISHALANI, The Maghreb and Mashreq countries; in: Dudley Seers/Constantine Vaitzos (eds.), The second enlargement of the EEC, London 1982, pp. 193-215; p. 211.

Table 11

Agricultural Self-Sufficiency in the EEC

Product	Calculation 1975-77		Projection 1990	
	EEC/9	EEC/12	EEC/9	EEC/12
<u>Northern products</u>				
wheat	103	102	117	116
grain (aggregate)	87	85	93	92
rice	75	82	91	94
milk	108	106	118	116
beef	99	97	103	101
pork	99	99	100	100
<u>Mediterranean products</u>				
wine	116	122	118	123
tobacco	28	42	32	48
oranges	32	64	40	70
lemons	85	113	70	112
citrus fruits (aggregate)	51	89
olive oil	88	109
tomatoes	94	99
potatoes	99	100

Source: FAO, Commodity Review and Outlook 1979-1980, Eurostat and Agrarian Statistical Yearbook 1974-77.

Quoted from Stefan A. MUSTO: The EEC in search for a new Mediterranean policy, op.cit. p. 15.

Table 12

Imports of crude oil and feedstocks to EEC/10 in 1000 T and %

Year	Total	Algeria	Lybia	Iraq	Iran	Saudi Arabia	Kuwait	United Arab Emirates
1980	463008	14447 3,1	32764 7,1	46752 10,1	12798 2,8	161156 34,8	22916 4,9	24591 5,3
1981	393459	14443 3,7	26967 6,9	11611 3,0	9562 2,4	165621 42,1	10886 2,8	17376 4,4

SOURCE: ...

Table 13

Estimated proved oil and gas reserves in the Mediterranean area (1980)
(in 1000 bbl and %)

	OIL		GAS	
Total world	648524,7	100	2638,5	100
Algeria	8200,0	1,3	131,5	5,0
Lybia	23000,0	3,5	23,8	0,9
Iraq	30000,0	4,6	27,5	1,0
Iran	57500,0	8,9	485,0	18,4
Saudi Arabia	165000,0	25,4	110,0	4,2
Kuwait	64900,0	10,0	30,8	1,2
Egypt	2900,0	0,4	2,9	0,1
Syria	1940,0	0,3	1,5	0,06
Israel	1,0	0,0	0,1	0,00
Turkey	110,0	0,02	0,5	0,02
Jugoslavia	265,0	0,04	1,5	0,06
Tunisia	1652,0	0,3	5,6	0,2

SOURCE:

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