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CHAPTER 2

Sinking in shifting sands: the EU in North Africa

Lisa Watanabe

The Arab uprisings and their aftermath have important strategic repercussions for the EU. The EU's already questionable influence in North Africa risks being further eroded. Ill-equipped to respond to changing dynamics in the sub-region, the EU may struggle to secure its long-term interests. The shortcomings of the EU's approach are made all the more flagrant against the backdrop of increased engagement of regional powers in North Africa. Absent of a bolder and more coherent strategic vision towards its southern neighbourhood, the EU is on course to miss a vital opportunity.



Protesters against Egyptian President Mohammed Morsi wave national flags in Tahrir Square in Cairo, 3 July 2013



THE UPRISING IN NORTH AFRICA AND SUBSEQUENT TURMOIL HAVE MAJOR GEOSTRATEGIC IMPLICATIONS FOR REGIONAL AND GLOBAL POWERS. Changing dynamics in the sub-region, its 'shifting sands', will not only alter intra-regional relations within the Middle East and North Africa, but also inter-regional relations. How regional and external powers respond to these upheavals will determine their ability to influence the transitions, as well as secure their long-term interests.

The European Union (EU) has attempted to recalibrate its approach to its southern neighbourhood, especially towards North African states – Algeria, Egypt, Libya, Morocco, and Tunisia – where it hopes to contribute to democratic transitions. At the same time, regional powers, such as Turkey and several Gulf States, are actively engaging North Africa and may be better able to grasp opportunities presented by unfolding dynamics and to help shape developments in the sub-region.

This chapter argues that the EU's response to the uprising represents little more than a repackaging of its existing approach. With its political weight in North Africa already questionable, drawing on inadequate tools at the expense of developing a coherent strategy to secure its long-term interests risks further undermining the EU's

influence in the sub-region. Were the EU to strengthen its partnerships with regional political actors as part of a genuinely new strategic approach to its southern neighbourhood, its chances of avoiding such an outcome would be greater.

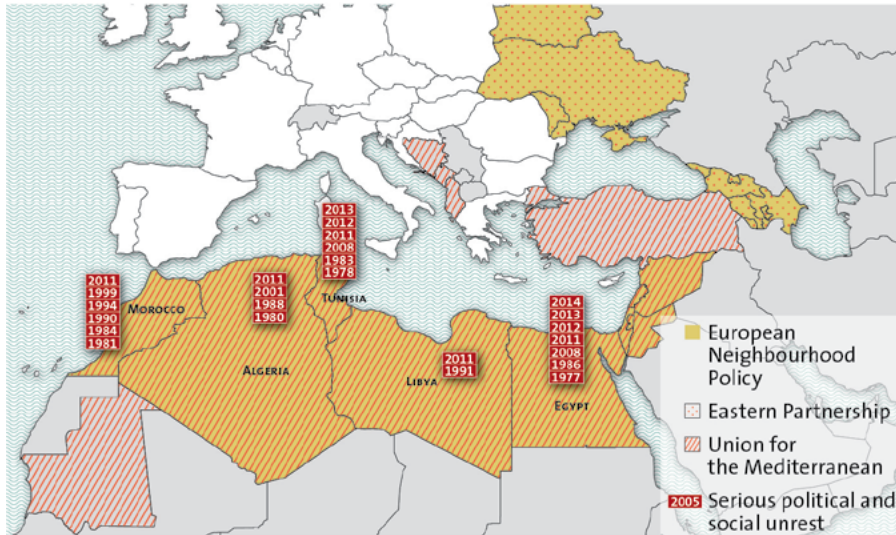
The EU in its southern neighbourhood

Drawing on the logic of the enlargement process, the EU has attempted to promote democratic and economic reforms in North Africa for some time, without being able to boast a great deal of success. Even prior to the uprisings, the EU had failed to find an effective way to influence countries that have no prospect of EU membership. The idea behind the European Neighbourhood Policy (ENP) was to create a buffer zone of stability or a 'ring of friends' around the EU comprised of countries lacking a membership perspective. While EU assistance was in principle conditional on reforms, the emphasis on conditionality had been waning. Even though aid to partner countries was linked to conditionality, it was nevertheless granted even when conditions had not been met. Leaders of southern partner states were also adept at exploiting the EU's overriding concern with stability and avoiding political reforms. Thus, rather than providing the basis for reforms, this strategy re-enforced



European Union and its neighbours

Bilateral and multilateral partnership frameworks



Sources: EU, Atlas der Globalisierung 2012

North Africa: countries in comparison

	Government type	Population (mil.)	Median age	People in poverty (%)	Unemployment (%)**	Human Development Index (rank)*
Morocco	Constitutional monarchy	32.649	28	15 (2007)	9	130
Algeria	Republic	38.087	27	23 (2006)	10.7	93
Tunisia	Republic	10.835	31	3.8	17.4	94
Libya	Unitary provisional parliamentary republic	6.002	27	around 1/3 of the pop.	30	64
Egypt	Republic, provisional government	85.294	25	20	13.4	112

* Ranking 2013, 187 countries

** Euro Area = 12.1

Sources: UN Development Programme, CIA World Factbook, Economist



the EU's dependence on autocratic regimes whose primary interest was in preserving the status quo. Not surprisingly, more progress had been made in the economic area than in promoting democratic reforms.

The bilateral partnerships of the ENP were complemented by a multilateral and regional cooperative framework. In 2008, the EU announced the 43-country Union for the Mediterranean (UfM), which revamped the earlier Euro-Mediterranean Partnership (also known as the Barcelona Process) that had been established in 2005. Whereas the ENP was based on bilateral relations between the EU and partner states, the UfM provided a forum where all countries could meet together. The UfM was launched to give new impetus to the EU's southern partnership by attempting to upgrade the political level of the EU's relationship with Southern Mediterranean countries, providing for further co-ownership through a system of co-presidency and by making these relations more concrete and visible through large-scale regional and sub-regional projects. However, the UfM was thwarted by the divisiveness of the Arab-Israeli conflict. By the time of the Arab uprisings, the UfM had become widely viewed as a failure. Against this uninspiring backdrop, the EU attempted to revise its approach

to its southern neighbourhood, with a view to contributing to democratic reforms in North Africa.

A revised approach to the southern neighbourhood

The EU's initial reaction to events as they unfolded in North Africa was timid and overshadowed by those of individual member states, particularly those with strong bilateral relations with North African states. This was most flagrantly demonstrated when France at first backed the faltering Ben Ali regime in Tunisia, before subsequently backtracking. The difficulty of developing a unified position was also demonstrated by the divisions among EU member states over whether to launch an EU military mission in Libya to assist in the provision of humanitarian assistance. When an EU Council Decision on such an operation was finally forthcoming in April 2011, the request that would have activated it was never made. This stood in stark contrast to the NATO intervention in Libya – in which, incidentally, individual EU member states, notably France and the United Kingdom, played a leading role.

Following this at first hesitant and rather embarrassing response to popular protests as they spread throughout North Africa, the EU did



subsequently acknowledge the need to upgrade its approach to its southern neighbourhood. Member states were, nevertheless, divided over what this should be. Those located in southern Europe were keen to see the EU strengthen its engagement with its southern partners, even if at the expense of reducing support for the EU's Eastern Partnership. Yet, this met with opposition from Central European member states that favoured a more balanced approach. Divergent views as to the appropriate role of the UfM also emerged, which contributed to the ENP taking centre stage within its modified strategy.

In May 2011, the EU launched an adapted approach that attempted to boost political conditionality, basing its engagement with southern partners on the so-called 'more for more' principle that promised more benefits in return for more progress on democratic reforms. In part, it reflected the EU's failure to significantly foster democratic reforms in its southern neighbourhood in the past, as well as recognition that if it wanted to influence the reform process in these countries it needed to offer more. In addition to attempting to promote civil society and grassroots movements, the EU has increased its offer of money, markets, and mobility. In terms of money, it boosted its financial support to its

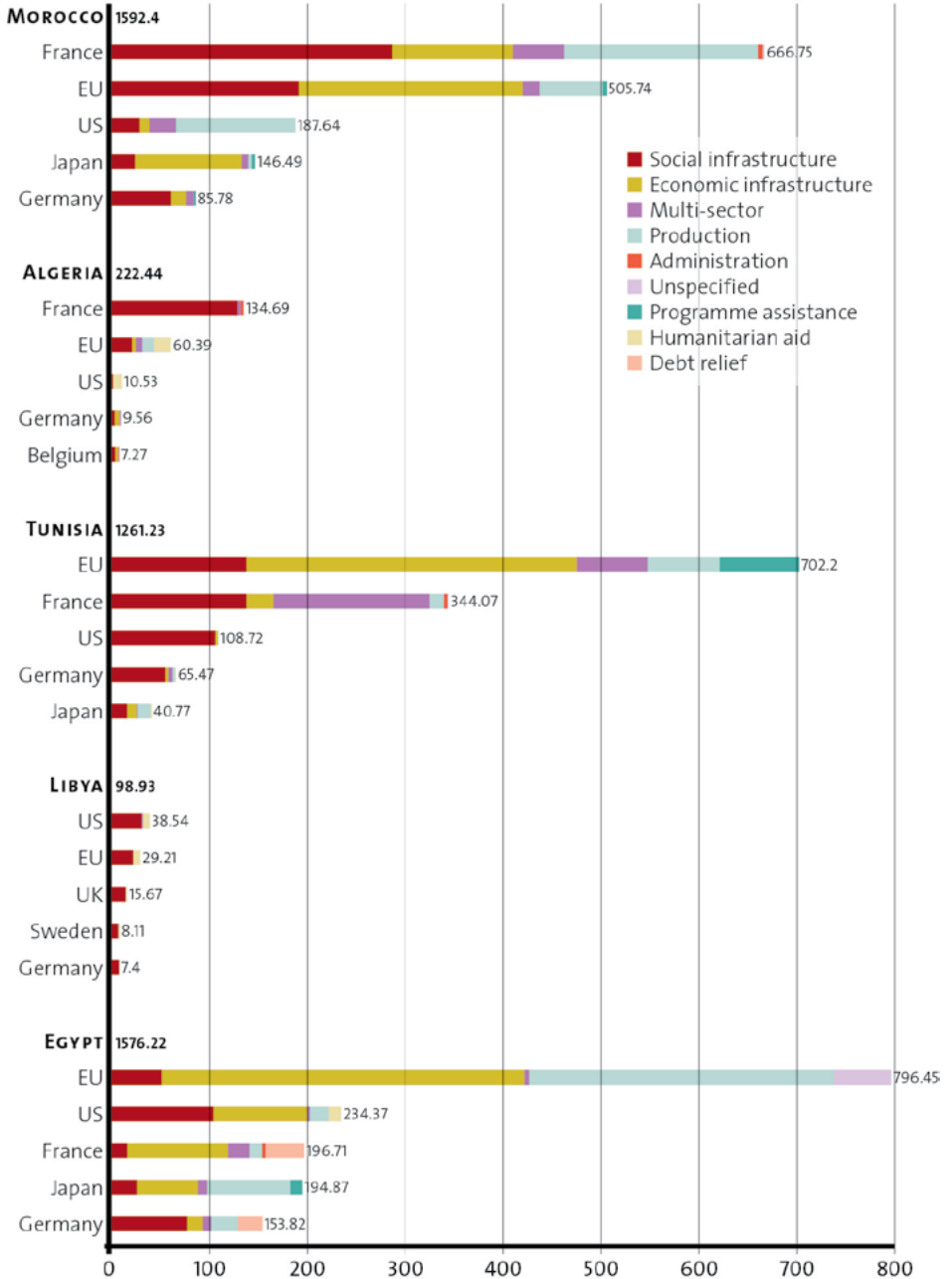
southern partners. In addition to the €3.5 billion already programmed for the period 2011–2013, the EU has also redirected €600 million within the ENP budget towards its southern neighbours and provided €700 million in new grants to transition countries that demonstrate commitment and progress towards democratic reform. The EU is also offering increased access to its markets through new trade agreements – the so-called Deep and Comprehensive Free Trade Agreements (DCFTA) – with countries deemed to be democratizing. The new envisaged free trade zone between the EU and southern partners does not include the removal of labour market restrictions, however. Instead, mobility partnerships will facilitate freedom of movement, primarily for business people and students.

In addition to the provisions under the revised ENP, the EU has at its disposal a number of other instruments to support the transitions in North Africa. Measures to improve agricultural productivity have been taken as part of the European Commission's Development Policy. Through the UfM, the EU is also supporting initiatives in the areas of transport, regulatory reform, and regional energy initiatives. Apart from these direct means of support, the EU has also coordinated with EU member states to



OECD foreign aid to North Africa, 2012

in US\$ million



Source: OECD



increase the lending of the European Investment Bank (EIB) and the extension of the mandate of the European Bank for Reconstruction and Development (EBRD) to the countries in the EU's southern neighbourhood.

An adapted approach, but no paradigm shift

As the centrepiece of the EU's re-packaged approach to its southern partners, the revisited ENP does not amount to a new strategic vision for EU engagement in North Africa. It is largely based on adapting the instruments already available to the EU. This leaves the EU ill-equipped not only to influence transitions in North Africa, but also to consolidate its role in North Africa in relation to other powers that are seeking to make gains in the context of shifts underway in the sub-region, which are intertwined with developments in the broader Middle East.

Adjusting existing instruments and seeking to re-emphasize political conditionality ignores the complex domestic situations that may make it difficult to embark immediately on reforms and prevent funding from being released for more immediate needs. North African states in transition have the possibility of accessing greater levels of assistance from Gulf States that are not based on conditionality.

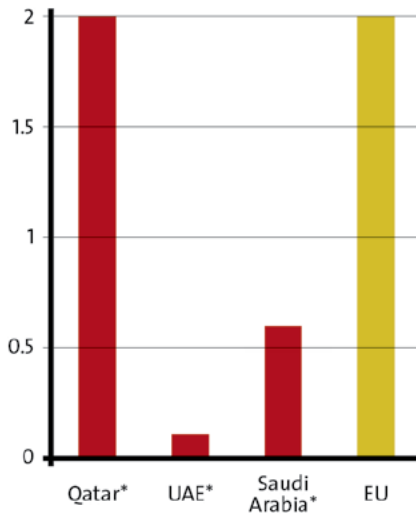
Tying its assistance to Egypt to the latter's acceptance of the conditionality of an IMF loan, for instance, slowed the disbursement of EU funds. In the meantime, much more generous financial assistance free of conditionality was provided by Saudi Arabia, Qatar, and the United Arab Emirates (UAE) instead. The EU lacks a similar means of providing rapid financial support. Moreover, modest increases in the money available from the EU are unlikely to be enough to incentivize leaders of countries that face severe socio-economic challenges, as well as deeply polarized political environments that have other options. Ultimately, the risk is that the EU's 'more-for-more' principle could translate into 'less-for-less', with the corollary of diminished EU influence.

Meagre incentives dependent on democratic reforms would be less serious if the EU had other dimensions of soft power to draw upon. For countries in North Africa, the potential of improved access to the European single market through the DCFTAs represents the EU's biggest power of attraction. The EU zone remains the most important trade partner for all countries in North Africa. However, stagnation in EU economies may encourage at least some North African states to diversify their trade relations. Moreover, the offer of deeper trade



Foreign aid to North Africa, 2012

in US\$ billion



* Excludes credit lines

Sources: Saudi Fund for Development, Qatari Ministry of Foreign Affairs, United Arab Emirates Ministry of International Cooperation and Development, OECD

relations is conditional on political reforms being undertaken by its southern partners and, as such, may never actually materialize. Cultural ties are also few and highly dependent upon Europe's colonial past. It is doubtful that new North African democracies, should this transpire, will want to emulate and tie themselves to an ailing and tainted Europe. Egypt's rhetoric and decisions are indicative of the desire to forge a more independent path. With this in mind, the EU's leverage looks decidedly weak compared to other powers with potentially greater soft power resources at their disposal.

The North African geopolitical jigsaw

In the changing geopolitical context of North Africa, the Gulf States and Turkey in particular are consciously attempting to gain influence in the transition states and to carve out a place for themselves. These states have sought to enhance their influence through a combination of soft and, in some instances, hard power instruments.

The Gulf States assert their influence

The altered geopolitical balance in North Africa, its linkage to shifts in the Middle East, and concerns about the consequences of a US pivot to Asia have prompted the Gulf States to attempt to expand their influence in North Africa. The inability of Syria, Egypt, and Iraq to play their traditionally dominant roles has created a window of opportunity for states in the Gulf. Several Gulf States in particular played a more assertive role both during and after the Arab uprisings. Among the Gulf Cooperation Council (GCC) states, Saudi Arabia, Qatar, and the UAE have most actively sought to influence developments in North Africa since 2011. In general, recent upheavals are seen by the Gulf States as the most serious challenge to their survival and to regional stability since the 1979 Iranian Revolution. Their primary concern has been to



contain the impact of the Arab uprisings and to shape the trajectories of the transition processes.

While their general interests overlap, GCC states have adopted different approaches to the uprisings. Their overriding desire to prevent contagion of the revolutionary fervour that swept across the wider region and the need to bolster the legitimacy of their regimes has informed their response to the Arab uprisings. In addition to using hydrocarbon rents to stifle dissent at home, one means with which they have attempted to quell demands for reforms domestically is to shore up fellow monarchies in the wider Arab world. The offer extended to Morocco to become a GCC member state, despite its geographical location, should be seen in this light. This initiative was spearheaded by Saudi Arabia, which has adopted a far more counter-revolutionary approach than some fellow GCC members, and was strongly supported by the UAE and Bahrain. In contrast, Kuwait, Oman, and Qatar were more sceptical about this approach to influencing events and stabilizing the region. Even though Morocco is unlikely to become a full GCC member, the Council is unquestionably committed to supporting it, setting up a fund to provide it, along with Jordan to which membership was also offered, with US\$2.5 billion

in addition to bilateral aid. Saudi Arabia also envisaged the creation of a Gulf Union intended to facilitate military and security policy cooperation. However, the proposition failed to gain consensus among Gulf States that are wary of Saudi dominance.

Divergent attitudes towards the Muslim Brotherhood movements in North Africa have also generated differing approaches among the GCC states, with Qatar supporting the Brotherhood domestically, as well as in the region, and Saudi Arabia and the UAE seeking to balance its rise. The question of how to respond to non-Wahhabi Islamist groups has preoccupied the rulers of Gulf States since the 1970s as Muslim brothers fleeing persecution under former Egyptian President Gamel Abdel Nasser established similar reformist Islamist movements in the Gulf. However, the Arab uprisings added a new urgency to these concerns. Saudi Arabia is home to the puritan Wahhabi Sunni Islam. The Wahhabiya in Saudi Arabia have been traditionally accommodating of the Saudi state, granting the Saudi king the right to declare jihad. As such, Saudi rulers have used Wahhabism as a means of legitimizing their regime. This renders Saudi Arabia's rulers suspicious of moderate forms of political Islam that are seen as challengers to Wahhabism. The Muslim



Brotherhood in Egypt is seen as a particular threat, due to Egypt's size and traditionally influential role. In order to counter the rise of the Brotherhood, Saudi Arabia is promoting Salafism in North Africa, which has its roots in Wahhabi thought.

Unlike Saudi Arabia, the UAE has allowed the establishment of Muslim Brotherhood movements domestically, which has had repercussions for its foreign and security policy. The initial gains of political Islam in these countries emboldened the local Muslim Brotherhood movement, known as the Reform Movement (Al-Islah), which sought to cooperate with more liberal pro-democracy activists in Abu Dhabi, although they failed to gain momentum. Nevertheless, Emirati rulers along with their Saudi counterparts have been concerned that the Muslim Brotherhood movements in North Africa could encourage their affiliates in the Gulf to destabilize ruling regimes. This has given the UAE's foreign policy an anti-Brotherhood dimension, like that of Saudi Arabia. The UAE has been wary of the Muslim Brotherhood in Egypt and Ennadha in Tunisia.

While Qatar adheres to Wahhabism, it has not been as fearful of the Muslim Brotherhood as has its neighbours Saudi Arabia and the UAE. Having

provided a haven and financial support for the Muslim Brotherhood movement for decades, and promoted their cause through Al-Jazeera, Qatar has a less complicated relationship with the Muslim Brotherhood in Egypt and elsewhere in North Africa. As such, it backed the Morsi government in Egypt, developed good relations with the Ennadha-led government in Tunisia, and established a close relationship with the Muslim Brotherhood in Libya. Indeed, this seems part of a conscious strategy to establish allies in a changing North Africa.

Despite differences, common to GCC states is the use of foreign aid to increase their influence in the countries where uprisings and regime change have occurred. Saudi Arabia, Kuwait, and the UAE are the largest GCC foreign aid donors, with most of their aid taking the form of soft loans and grants. Traditionally, GCC foreign aid has been used strategically to promote Islam, Arab solidarity, and, above all, regional stability. In 2011, aid commitments and investments from GCC states in North African countries in transition peaked, far outweighing those granted by the EU. Officially documented sources of aid tend to arrive through official national funding agencies. With foreign aid decisions being the preserve of the ruling



families rather than government ministries, disbursement of large and politically less costly forms of aid from IMF or EU sources are more readily available. Indeed, this stands in stark contrast to Western/international aid that has more constraints, due largely to good governance considerations and the need to eventually recover the loans. As a result, GCC aid can be particularly attractive to countries that risk increasing domestic unrest due to unpopular reforms. When Egypt faced threats from international donors to withdraw financial assistance following the crackdown on supporters of the ousted former President Mohammed Morsi in 2013, Cairo was able to rely more heavily on GCC aid. Saudi Arabia supplied US\$4 billion in soft loans, deposits and grants to ease the pressure on post-Mubarak Egypt, the UAE US\$3 billion in loans and grants and Qatar US\$10 billion through investments and projects.

While official figures for GCC aid and credit lines alone are impressive in terms of their scale, this does not capture the full extent of financial assistance they provide to North Africa. Not all loans and grants are made public, and the channels through which unannounced sources of aid arrive are often murky. Financial assistance by GCC states, as well as private individuals, to political and social actors

in the transition countries remains largely unknown. Part of this assistance appears to go to Islamist political parties, while another part goes to religious outreach and social services provided by conservative religious organizations. Both constitute additional sources of influence for GCC states in North Africa, at least among Islamist political and social actors. These bilateral sources of aid are also complemented by multilateral forms of foreign aid assistance, granted through institutions such as the Arab Fund for Social and Economic Development. Despite the difficulty of gaining a comprehensive picture of the extent of foreign aid from GCC states, their goal of increasing political clout in North Africa through their capacity to provide substantial funds is palpable.

In addition to financial assistance, Gulf investment in North Africa has also grown since 2011. In some instances, this investment forms part of foreign aid commitments, arriving in the form of economic infrastructure projects. The greatest funds for such projects came from Qatar in 2012. In Tunisia, the Qatari government is set to provide US\$2 billion to build an oil refinery that will enable Tunisia to refine oil from Libya, with a view to becoming a hub for the export of refined products. In Egypt, Doha



announced that it will invest US\$ 18 billion over a five-year period in infrastructure projects linked to natural resources and the tourism sectors. Saudi Arabia's commitments include contributing US\$ 200 million towards the construction of a high-speed railway network in Morocco, US\$120 million for the expansion of electrical power plant capacities and US\$ 85 million for natural gas transport networks in Tunisia, and US\$ 170 million for agricultural infrastructure projects in Egypt. The UAE also committed US\$ 84 million to North African countries, most of which was allocated to infrastructure projects. The assistance from Qatar alone far outweighs that from the EU for similar initiatives for the same year, which amounted to US\$ 370 million to Egypt; US\$ 228 million to Morocco; US\$ 3.84 million to Algeria; and US\$ 337 million to Tunisia (see graph on p.36). In addition to infrastructure projects, companies based in the GCC States declared 46 foreign direct investment projects in North Africa in 2012, largely in Algeria and Morocco, worth a total of approximately US\$ 6 billion.

Turkey – a pivoting power with pivotal potential

Turkey, too, is attempting to create a place for itself in North Africa. Like so many other international actors, Turkey found itself in a difficult position

as the protests broke out. Since the Justice and Development Party (AKP) came to power in Turkey in 2002, Turkish foreign policy has been based on the dual notions of 'strategic depth' and 'zero problems with neighbours' – the idea being to resolve bilateral problems and to enhance cooperation with other states. Under this new foreign policy approach, Ankara was intent on boosting its role in regions where it had historic ties that date back to the Ottoman era, including the Middle East and North Africa. Indeed, Turkey had much ground to make up, since its relations with its Arab neighbours had been detrimentally affected by its alignment with the West during the Cold War. The demise of the Soviet Union created an opportunity for Turkey to reconnect with areas where it has strategic depth owing to its history, culture, and geographic location. In line with this vision, Turkey was believed to be a pivotal power and not simply a Western satellite. As such, the thinking goes, it ought to exercise a more active foreign policy in regions where it has considerable soft power that had been previously neglected at the expense of privileging relations with the West and avoiding grand strategic designs.

As part of this new strategy, Ankara undertook to resolve bilateral problems with neighbours in the Middle



North Africa's geostrategic terrain

Regional actors



East. Enhancing its role in the wider region through maximizing its soft power involved deepening its relations with incumbent regimes, which necessarily entailed intensifying ties with specific leaders. Regional engagement included strengthening relations with Iran, Iraq, Syria, Jordan, Lebanon, and the Gulf States. Capitalizing on Ankara's soft power assets also implied a more active role in Turkey's neighbourhood underpinned by commonalities in terms of Islamic religious and cultural heritage. In part this was enabled by an acceptance that multiple identities could exist in the Turkish Republic and a departure from the earlier Kemalist insistence on the avoidance of promoting Sunni solidarity. Forging stronger economic ties with countries in the region also formed an important part of its new

strategy. Indeed, a prime motivating factor behind Turkey's foreign policy stance, and the central place attributed to the Arab world within it, was the need to fuel the country's impressive economic growth.

Having forged closer relations with existing regimes, Turkey found itself ill-prepared to respond in an unequivocal manner to the Arab uprisings. Its initial response to events was mired in contradictions. The Turkish government expressed support for the end of the Ben Ali regime in Tunisia, and was one of the first countries to call for former Egyptian President Hosni Mubarak to step down. However, Turkey's response to the Tunisian and Egyptian uprisings differed from its reaction to the Libyan crisis. When the civil war broke out in Libya and



international voices called for Muammar Gaddafi's removal, Turkey initially backed Gaddafi and opposed NATO military intervention. Since the AKP came to office, Prime Minister Recep Tayyip Erdogan had enjoyed close relations with his Libyan counterpart. These personal ties were also reinforced by significant Turkish crude oil imports and infrastructural projects in Libya. Nevertheless, Ankara did subsequently adapt its position, aligning itself with calls for intervention and withdrawing its backing for the Gaddafi regime. Turkey even participated in the NATO-led intervention, though its role was confined to ensuring humanitarian access and enforcing the economic and military embargo against Gaddafi's forces. Financial support to the NATO-backed National Transitional Council in Libya was also provided by the Turkish government.

Turkey's initially hesitant reaction to the crisis in Libya cost it political points at the outset of the Arab uprising. Ankara has since attempted to position itself as a champion of change and democracy in North Africa. Turkey has promoted itself as a model for North African transitions. Indeed, the initial electoral successes of the Freedom and Justice Party in Egypt and Ennadha in Tunisia seemed to provide Turkey with an opportunity to ally itself with moderate Islamist regimes.

Ennadha's leader Rachid Ghannouchi had expressed an interest in the 'Turkish model' as an example of an Islamist party governing a country with a secular state tradition. Other Islamists in the transition countries viewed the "Turkish model" differently, representing instead the inevitable and long-term Islamization of Turkey and the vindication of their own cause. Ankara's ties to Islamists in the transition countries were touted as invaluable foreign policy assets as Islamists emerged as winners in the initial phase of the transitions.

Navigating strategically in North Africa

With various powers competing for influence in North Africa, the EU will find it hard to navigate the new geopolitical terrain of North Africa by relying primarily on its revised neighbourhood policy. The low scale of the EU's funding means that it cannot expect to have a significant impact on North African states, particularly in light of the generous and less onerous aid and financial assistance from the Gulf States. However, its limited ability to incentivize North African states to engage in political reforms is not only due to its meagre financial offering. Whether the EU has greater soft power towards its southern neighbours than other international actors vying for influence is questionable. The only area where the



EU has significant power of attraction is in relation to trade, given that it does have a large internal market and constitutes the largest trade partner of North African countries. However, even this may be circumscribed by a lack of political reform in southern neighbours. Short of a new strategic approach to the Southern Mediterranean, the EU could see its already doubtful influence further eroded.

One of the likely outcomes of the Arab revolts is that the GCC states will show an increased focus on and influence in North Africa. Their economic clout may bring the stability needed to embark on economic reform through rapid provision of funds, though it could equally undermine efforts to reform. One of the short-term strengths of the Gulf States is their freedom from the constraints of more political participatory official political systems and strict good governance conditions linked to aid. However, their support has often been circumscribed by their ideological opposition to the Muslim Brotherhood, although the ouster of Mohammed Morsi and the banning of the Muslim Brotherhood in Egypt could make it easier for Saudi Arabia to forge closer relations with this traditionally important state. Riyadh's role could be divisive elsewhere where moderate Islamist parties could form part of the political landscape. Much

the same can be said of the UAE. Qatar's more assertive foreign policy and accommodation of less radical forms of political Islam may boost its role in North Africa. Yet the extent to which it can deviate from the positions of other GCC states is likely to be limited. While Qatar is eager to put itself on the map internationally and increase its influence in North Africa, it has been reticent to risk seriously damaging its relations with fellow Gulf States by doing so. Indeed, it is perceived as having made efforts to repair relations with its more conservative Gulf neighbours by replacing its activist prime minister in the summer of 2013.

North African states themselves are also wary of the motivations of the Gulf States. While Gulf aid has no formal conditionality, there may be a price attached to it that is unwelcome, as tension between Egypt and Saudi Arabia over Egyptian foreign policy indicates. Support for Islamists by GCC states has become a contentious issue in North Africa. Qatar's role as one of the biggest donors of financial assistance and support for Islamists has prompted concern in some post-uprising states. North African countries have expressed concern about Saudi-financed support for Salafi and Wahhabi groups across the sub-region. Political polarization in



North African countries risks making economic recovery and reform all the more challenging. This makes the Gulf States' role in North Africa potentially problematic from an EU point of view, given that it could work against the EU's declared objectives.

Turkey's role in the region may be expected to grow over the longer-term and could be more sustainable than that of the GCC states, although whether this will be on the basis of representing a model is uncertain. Social unrest in 2013, and the government's reaction to domestic protests, have called into question Turkey's own democratic credentials and potential as a model for transition countries. In recent times, the AKP has come under fire for slowing domestic political reforms and imposing a particular view of society on the Turkish people. In what came to be known as the Gezi Park protests, the question of what Turkish democracy should be came to a head. The protests, which started as an attempt to block the government's intention to override a court order for a stay on work to Ankara's Gezi Park, represented an objection to the majoritarian interpretation of democracy adopted by the Erdogan government. The protests themselves may be the seeds of a deeper, more consensual form of democracy in the future. Should the latter transpire, Turkey

could well represent an interesting case upon which North African transition states may draw inspiration.

There is another sense in which Turkey could be a source of inspiration. While North African countries will undergo their own unique transitions, the AKP's experience in government could be inspiring for Islamist parties, such as Ennadha, that also face the similar challenge of governing in a country where secularism had previously prevailed. The compromises from both Islamists and non-Islamists required to forge an inclusive democratic political system are great. However, the country's potential as a model for the transformation of political Islam in North Africa will ultimately depend on the AKP's own ability to promote a more inclusive vision of society. Just as its perceived imposition of particular Islamic-inspired societal values is meeting with opposition domestically, so too is the Turkish government's overriding engagement with Islamist political forces in North Africa. Indeed, alongside the Gulf States, Turkey has been accused of promoting a sectarian (i.e. pro-Islamist) agenda.

Turkey's potential soft power also lies in the performance of its economy and its economic ties with North African countries. In 2012, Turkey was



the fifth most important export market for Algeria, Egypt, and Morocco. Turkey's economic needs and the changing regional environment may favour strengthened trade and investment relations with North African countries. In many respects, its longer-term economic relations with North African countries may be more sustainable than those of the Gulf States, which have very limited private sectors, despite their efforts to diversify their economies. The exception is Saudi Arabia, which is Egypt's fourth largest trading partner. However, the strength of the Turkish economic model has itself come under greater scrutiny. After a decade of high growth rates, the economy seems to be sliding into crisis. A series of investigations into corruption by government officials have cast doubt on the independence of the judiciary and police, shaking investor confidence and leading to a significant decline of the Turkish lira against the dollar. The US Federal Reserve's decision to cease financing the crisis at the beginning of 2014 led to a further erosion of the value of the Turkish currency, as well as a vast flight from Turkish stocks. On closer inspection, steady economic growth appears to have been generated by debt-fuelled consumption and property investment, rather than investment in industry. The AKP government now faces considerable challenges of its own.

In addition to its potential allure, shifting geopolitical dynamics in the broader Middle East may also boost Turkey's position in North Africa. Turkey's attractiveness as a strategic partner for Gulf States could increase. Indeed, Turkey and the GCC had already launched a political dialogue in 2008, providing a multilateral framework for the development of what is currently a nascent relationship. Moreover, the loss, even if only temporary, of Egypt as an important Saudi ally could lead to a strengthening of ties between Ankara and Riyadh. Even prior to the Arab uprisings, Saudi Arabia and Turkey had been developing closer relations in a shared endeavour to reduce their dependence on the West. However, the AKP as a model for political Islam in government could create problems for such cooperation, depending on the fate of the Muslim Brotherhood in North Africa.

Given that regional balances are likely to become particularly important in shaping dynamics and the limited role of extra-regional powers, the EU would do well to further develop strategic partnerships with regional actors making strategic inroads in North Africa. Cooperation between the EU and GCC at present is largely related to trade and energy. The extent to which this relationship could



be upgraded to a strategic partnership is partly limited by EU deferral to the US, which still acts as the prime external regional power in the Gulf, and by the lack of domestic reform in the Gulf States themselves which could place the EU in a difficult position and render it open to accusations of double standards. However, the GCC and the EU have been able to find common ground on some security issues, and a more sustained strategic dialogue with the GCC states could be in the EU's interest, particularly if the GCC states engagement in North Africa looks set to undermine the EU's objectives of promoting reform. The scope for a strategic partnership with Turkey is notably greater, though.

The Arab revolts occurred at a time when EU-Turkish relations were at a low. Accession talks were dragging and several chapters of negotiations had been frozen as a result of the Cyprus conflict and French opposition in particular. The Arab uprisings and subsequent instability could be an opportunity to mend relations, as the re-launching of accession talks suggest. In the past, Turkey's attractiveness as a model for North African states had much to do with its status as a candidate for EU membership, and the EU

would do well to try to capitalize on this. Both the EU and Turkey found themselves having to make up lost ground following the uprisings, and have since declared that they share the same aim of supporting democratic reform in the south. Turkey could provide the EU with strategic outreach.

North Africa is of vital importance to the EU. This is true not only due to its aim of promoting a particular set of values as part of a transformative agenda following the Arab uprisings, but also because developments in the sub-region can have implications for the EU in the areas of energy, security, and migration. Yet the uncertain trajectories of the North African transition countries and the more decisive engagement of other external powers with them mean that the geopolitical sands of North Africa are in flux. Without a radical revision of its approach to its southern neighbourhood, the EU may find itself sinking further in these rapidly shifting sands. Were the EU to pursue a more political approach that capitalizes on shared interests with other external actors in North Africa, in addition to being anchored in bilateral relations with partner countries, such an outcome might be averted. ●