THE EU AND MEDITERRANEAN COUNTRIES*

Alfred TOVIAS**

1. Introduction: Some trends in output and living standards

Several years ago I was asked by CEPS (Center for European Policy Studies) to prepare a report on the Mediterranean economy as a contribution to a collective work[1]. The first question I asked myself was whether to include in my report those Mediterranean countries which were members of the EU. The same question could be addressed today having been asked to report on the EU and Mediterranean countries. Does the latter concept strictly refer to non-EU members? Of course not and I want from this podium to attract your attention to the widely-spread confusion being made when dealing with the EU's external relations between Mediterranean countries and what is actually the Maghreb, the Mashrek, Israel and Turkey. This leaves out not only some EU member countries, but ex-Yugoslavia, Albania, Cyprus and Malta. But in order to get a sense of the reasons of the present excitement, if not alarm, manifested by public officials when dealing with this part of the EU's internal and external periphery it us useful to compare basic data off all Mediterranean neighbouring countries.

GNP figures are important to assess both the relative economic weight as well as relative market size. In Table 1, Mediterranean countries (including EU members) have been ranked by GNP in 1994[2].

* This paper was presented at the Conference on *Regional Trade Agreements and Multilateral Rules after the Uruguay Round: Convergence, Divergence and Interaction* by the University of Liege on October 3-5, 1996.

** Prof. Dr., The Hebrew University, Israel

1 See Tovias (1994).

2 There are no data for Albania nor the Lebanon.

TABLE 1 : GNP OF MEDITERRANEAN COUNTRIES (IN MILLIONS OF $)

RANK	COUNTRY	1994	1980
1	France	1355039	627700
2	Italy	1101258	368860
3	Spain	525334	199780
4	Turkey	149002	66080
5	Yugoslavia	–	58570
6	Greece	80194	60245
7	Israel	78113	17440
8	Algeria	46115	36410
9	Egypt	40950	23140
10	Morocco	30330	23788
11	Libya (1989)	23333	25730
12	Tunisia	15873	8340
13	Syria (1992)	14607	12030
14	Slovenia	14246	–
15	Croatia	12093	–
16	Cyprus (1993)	7539	2210
17	Jordan	5849	3244
18	Malta (1992)	2606	1190
19	West Bank / Gaza	–	–

Source: World Bank Atlas

The first three, representing three quarters of the Mediterranean GNP, are members of the European Union. Of course, one may question whether France should be considered a Mediterranean country, particularly given that its main economic power centers are not in its Mediterranean regions. But then the same might be said of Morocco, Egypt or Turkey. At the other extreme, the last eight countries are pretty small economies (and this includes Syria). It is pretty striking that the GNP of Israel is now larger than the one of Egypt, Syria and Jordan together. Israel is now in another league together with Turkey, Greece and Algeria. Cyprus' economy is larger than the one of Jordan. The case of ex-Yugoslavia is special. Until recently one could speak of one economy; now there are several distinct units. Quite striking is the fact that in 1980 Israel's GNP was below the one of Egypt and Libya and that the GNP's of Syria and Libya have barely changed since then. The records of all other Mediterranean Arab countries (but maybe for Tunisia) are very poor. Note as well that in 1980 Italy's economic size was less than two thirds the one of France but nowadays almost the same.

TABLE 2 : GNP PER CAPITA IN NOMINAL AND IN REAL TERMS OF MEDITERRANEAN COUNTRIES (IN $ AND IN PPP UNITS)

Ranked by GNP per capita (1994)

RANK	COUNTRY	GNP / CAP $ 1980	GNP / CAP $ 1994	GNP / CAP PPP 1994
1	France	11730	23470	19820
2	Italy	6480	19270	18610
3	Israel	5350	14410	15690
4	Spain	4500	13280	14040
5	Cyprus (1993)	3560	10380	15470
6	Greece	4520	7710	11400
7	Malta (1991)	3470	7300	–
8	Slovenia	–	7140	–
9	Libya (1989)	8640	5310	–
10	Yugoslavia (1990)	2620	3060	–
11	Croatia	–	2530	–
12	Turkey	1920	2450	4610
13	Tunisia	1310	1800	4960
14	Algeria	1460	1690	5330
15	Jordan	1340	1390	4290
16	Syria (1991)	1420	1170	–
17	Morocco	860	1150	3440
18	Egypt	580	710	3610
19	West Bank / Gaza	–	–	–

Source: World Bank Atlas

GNP/head is the best concise indicator for standard of living and development level. Table 2 ranks Mediterranean countries by the 1994s GNP/head in nominal terms (i.e. in $), but the last column includes data in units of purchasing power.

Seven out of the first eight countries in the list are in Europe. The seventh (Israel) is a special case, being located in the Eastern Mediterranean. Clearly the Mediterranean is a border zone between the industrialized and the Third World. Observe that GNP/head diminishes fairly gradually when moving from France to Syria eastward, whereas the change is abrupt when moving from France southward: Morocco's GNP/head was in 1994 5% and 9% as large as the ones of France and Spain respectively! We find only as shocking a contrast in the Eastern Mediterranean when focussing on the couple Egypt/Israel. Turkey's low ranking is not surprising. Half of the country, from Ankara eastward is extremely poor and underdeveloped. How has the ranking changed in the last 15 years? GNP/head has practically doubled or tripled in $ (i.e. nominal) terms for the first five countries in the list (all European excepting Israel). Conversely Syria and Libya have seen their GNP/head diminish in absolute terms, while the rest of Mediterranean countries have seen their GNP/head either stagnating or rising very slowly. This includes Greece and ex-Yugoslavia. Even so their record is better than in North Africa most probably because population growth was almost non-existent. In fact in much of North Africa and in Turkey, GNP growth has been neutralized by the demographic explosion going on there. Moreover, the shapes of the population pyramids work against achieving high saving rates.

The ranking does not basically differ when using PPP units. Cyprus is better off than Israel and Spain; Tunisia is better off than Turkey and, last but not least, Egypt is better off than Morocco (but the last two countries still lie deeply in what can be called the Third World).

Of course the evolution in the crude oil prices has much to do with the change of fortunes of the different Mediterranean countries. For instance until 1985 Libya was the second most affluent country in the region after France. More generally we observe a "scales effect" (effet de bascule) in the Mediterranean. Whenever the price of oil goes up, terms of trade of oil-poor Northern Mediterranean countries deteriorate sharply, something which affects their growth record (as in the 1970s). The reverse happened in the 1980s. In turn, oil- and gas-rich Southern Mediterranean countries (e.g. Libya, Algeria, Egypt) suffered enormously from the secular decline in oil prices. In fact GNP and GNP/head growth rates for Egypt, Algeria, Tunisia and ex-Yugoslavia were quite impressive in the 1970s and extremely low for Italy, Spain, France and Israel.

Note that there are many NICs around the Mediterranean, although, so it seems, less than was the case a decade and a half ago. It is debatable whether Spain or Israel enter still this category. On the other hand, Algeria, Egypt and Syria, which no long ago were considered by some scholars as "incipient" NICs, are still highly dependent on mining and/or agriculture. As a matter of fact, in the mid-1970s when scholars were eager to discover clusters of NICs (and I remember Jacques Pelkmans, present at this Conference, engaging in such an exercise), they always mentioned the triad composed by South-Eastern Asia, Latin America and the Mediterranean. They probably thought that industrialization on the basis of oil and gas would succeed, something which proved wrong. Not surprisingly, the Mediterranean is increasingly ignored as a cluster of NICs.

It is because of the poor record of Maghreb and Mashrek countries combined with the demographic trends and the imbalances shown above between the southern and northern shores of the Mediterranean that the European Commission, pushed along by its Southern European members highly concerned by all this, decided to launch a new initiative in late 1994, known as the Euro-Mediterranean Partnership.

2. The Euro-Mediterranean Partnership

The main economic elements of the new Partnership are 1) the creation of a Euro-Mediterranean Free Trade Area to be completed by about 2010; and 2) a substantial increase of the financial assistance given by the EU, drawn on the Community's own budgetary resources for the period 1995-99[3].

To start with the second item, in practice and in relation to the Mediterranean policies of the past, the system of bilateral financial and technical protocols (the last series of which is bound to end by October 1996) will be abrogated and will be replaced by a new regulation called MEDA dealing with all the Mediterranean Non Member Countries (MNMCs in what follows) under a unified framework which will deal with all cooperation activities on a multi-annual basis[4].

In the field of trade, the establishment of a Euro-Mediterranean Free Trade Area by 2010 implies in relation to the prevailing setting (which is basically in place since the mid-1970s when the first Global Mediterranean Policy of the EC took shape) to oblige MNMCs, which have not done so already (as. e.g. Israel did), giving tariff- and quota- free access to industrial products originating both in the EC and probably partial free trade in agricultural products as well. So, quite ironically, those MNMCs which refused to offer reverse preferences to the EC in the 1970s (Maghreb and Mashrek countries), arguing at the time that this would revive colonial times, are being asked to reciprocate by engaging into what comes in practice to an across-the-

3 The EC's Council of Ministers has approved a global amount of 4.7 bn ECU, while the CEEC have been allocated for the same period 6.7 bn ECU. The Commission expects the EIB will also increase its own lending efforts to Mediterranean countries, by allocating about 5 billion ECU in the same period.

4 This has the advantage for individual MNMCs that they will be able to participate in bids not directly related to projects conceived for their benefit.

board tariff dismantling on manufactured products exported by the EU[5]. Since by 2010 the Union will include most CEEC, the opening includes the latter as well. A second element is that MNMCs (including Israel) must eliminate duties on goods originating in other MNMCs. Moreover the Commission expects that MNMCs will adopt progressively the EU competition and origin rules.

Therefore what the new programme really means is that the adjustment effort is to be done mainly by the Arab MNMCs themselves. Some public officials in the Commission say that the idea this time is "to shake up the MNMCs" and that the European role is to be a catalyst, a facilitator (and this includes pushing MNMCs to deal the one with each other). To shake-up the Arab MNMCs manufacturing sectors, the EC wants to encourage specializations, mergers, company reorganizations, quality improvements, renewal of equipment, upgrading of management, privatization, etc[6].

The question is whether the EC itself is willing to give the example and "shake itself" also a little. Well, here the prospects are disappointing. On the EU's side, the Commission asked in its initial proposal of October 1994 from the member states a supplementary effort in the agricultural domain but, later on, the Declaration of Barcelona of November 1995 did not contemplate free trade in agricultural goods at all. In fact the only reciprocal concessions made by the EU in the domain of trade are, first, in terms of eliminating remaining restrictions on textile and clothing imports, but at a time the EU has agreed to phase out all the MFA bilateral arrangements with other developing countries; second, in terms of studying the possibility of cumulating value in different MNMCs for the purpose of defining the origin of products benefitting from duty-free treatment in the EU. However the latter was conditioned until quite recently to the previous conclusion of free trade agreements among the MNMCs which wish to benefit from cumulation and would be implemented by stages. On the basis of different sources, it appears now that cumulation will take time to be put into place. In any case cumulation, if applied, would help to flesh out one of the avowed aims of the Commission, namely the promotion of regional integration and industrial cooperation among MNMCs, particularly in the Middle East. Regarding non-tariff barriers in trade between the EC and MNMCs, the Commission stated in 1994 that it was prepared to engage in constant dialogue with the MNMCs on a wide range of trade- and investment-related matters such as indirect taxation, standards and customs procedures, but future membership in the EEA or even in European standard institutions has never been mentioned.

5 Other MNMCs like Israel, Turkey, Malta and Cyprus have been offering increasingly larger reverse preferences to the EC in various degrees since the early 1970s.

6 See Rhein (1996a) and Rhein (1996b).

In sum the main supplementary effort to be made by the EU itself is financial, something clearly favored by Southern European members over other more daring solutions. Clearly the idea of the EU is to use finance to help MNMCs to adjust to the new free trade conditions. The financial effort to be made by the EU between 1995 and 1999 seems impressive when compared to the one made in the past. Amounts allocated to MEDA are more than double the aggregated sums allocated under the Fourth Financial Protocols. But this point of reference is inadequate. Compared to parallel development aid allocated to MNMCs by Member States, the financial component of the Partnership does not represent more than 20 to 30% of the former and focussing only on Egypt, an amount of even 1 bn $ a year set aside for adjustment assistance to be distributed among all MNMCs does not seem too impressive, when compared to bilateral US aid to Egypt, more than 2 bn $ per year since 1979. In fact during the period 1978-92, according to Bensidoun and Chevallier (1996), the US represented 41% of all aid given to Mediterranean countries while the share of the EU (including bilateral aid by the member states) only represented 24%. And also according to both authors, the aid amounts per capita allocated by the EU to the CEEC will remain three times as high as those allocated to MNMCs.

4. Focussing on trade instead of aid: what is wrong with the new initiative?

The underlying assumption of any EU initiative to cope with the economic situation in its Southern periphery is that it can make a difference and have some real impact. But through which channels and with which policy instruments? There are basically two approaches: use trade policy or aid policy. It is easy to show that the amounts of aid needed to extract Maghreb and Mashrek countries from their current predicament are both staggering and unavailable. On the other hand, the EU can make a real difference by adopting appropriate trade policies. Why? Simply because all MNMCs are open economies (see table 3)[7] and on top of it all are extremely trade-dependent on the EU (with the possible exception of Jordan).

7 Trade represents more than 40% of GDP.

TABLE 3 : DEGREE OF OPENNESS OF MNMCs ECONOMIES, 1993

	Exports/GDP ratio	Imports/GDP ratio
Algeria	23%	23.4%
Morocco	22%	27.8%
Tunisia	39.7%	44%
Turkey (*)	20.8%	23.7%
Israel	31.3%	40%
Jordan	38%	81.4%
Syria (**)	24.2%	33.5%

* 1992
** 1991

Table 4 tells us that MNMCs have a tremendous overall deficit in their trade with the EU[8], but that there is a large surplus in mining products and almost an equilibrium in agricultural products and "other manufactured products", something reflecting MNMCs comparative advantage in those items. Table 4 tell us, as well, that Euro-Mediterranean trade amounts to 100 bn $, about 50% of MNMCs trade but only 7% of extra-EU trade. On the other hand, we know from the demographic trends in the Maghreb and the Mashrek that there is an urgent need in creating jobs (otherwise unwanted people there will flow to the Northern shores of the Mediterranean or become alienated at home causing trouble to the local regimes).

8 MNMCs as a region have the largest deficit of all the geoprahical regions with which the EU trades. For some regions, the EU is itself in large deficit (Japan, South Eastern Asia).

TABLE 4 : EC IMPORTS AND EXPORTS WITH MNMCs BY PRODUCT GROUP (1994); TRADE BALANCE

	Imports (Bn ECU)	Exports (Bn ECU)	TB
All products	42.7	55.0	12.3
Primary products	19.7	9.0	–10.7
Agricultural prod.	4.4	5.7	1.3
Mining products	15.2	3.0	–12.2
Non agr. raw mat.	0.1	0.4	0.3
Manufactured products	21.7	44.5	22.8
Machinery	3.3	13.7	10.4
Transport equipment	1.9	7.4	5.5
Chemicals	2.1	6.4	4.3
Other manufactured pr.	14.4	16.8	2.4
Other products	1.2	1.5	0.3

TB = Trade Balance

Putting all this together, we arrive immediately to the conclusion that what the EU can do to promote job creation is to import more from MNMCs. What? Of course goods regarding which MNMCs have a comparative advantage. In turn this will induce a reduction in the trade deficit of MNMCs and thus in their external debt as well.

5. The EU's contribution to job-creation in MNMCs

The development of a job-creating economic strategy would reguire certain adjustments on the part of the European countries, notably the northern Mediterranean states such as France, Italy, Spain and Portugal, ultimately leading to some alternative patterns of division of labour in the entire Mediterranean zone. For example, the agricultural sector in the southern Mediterranean countries is highly labour-intensive. Therefore, the expansion and modernization of the agricultural sector - including agro-industries - should be given priority. The full realization of the agricultural potential of these countries, however, would require easier access to EU markets which will not be possible without some changes in the EU's Common Agricultural Policy. Petrochemicals is another sector that has good potential for expansion and job creation, although their production is essentially capital - rather than labour-intensive. But here, too, part of the burden of adjustment would fall to the EU.

Expansion of trade between the EU and the southern Mediterranean region is vitally important for the economic and industrial development of the Mediterranean countries. The FTA initiative focusses almost exclusively on tariffs. However, for the expansion of trade to be beneficial for the latter, it is important that EU's trade liberalization measures include non-tariff barriers as well, since these are the main impediments to the exports from the southern Mediterranean countries to the EU.

In the view of this author, the EU should give highest priority to the following areas and issues in the framework of the Euro-Mediterranean Partnership:

1. Help the southern Mediterranean countries to devise and implement a job-intensive economic development programme with particular attention to the agricultural sector.

2. Enlarge substantially the tariff quotas applied on fruit, vegetables, flowers and other southern Mediterranean agricultural produce in the context of the renewed trade agreements that have been signed (with Tunisia and Israel) or that will be shortly (with Egypt, Morocco and Jordan) and which are now part of the Partnership. The concept, introduced after Spain's and Portugal's accession, of allowing duty-free entry for quantities reflecting only "traditional exports" by non-member Mediterranean countries should be rejected; seasons on which concessions are applied should be substantially enlarged as well.

3. Liberalize the Common Agricultural Policy in the area of fruit and vegetables.

4. Reduce trade barriers applied to petrochemical products.

5. Adopt rules of origin that are as transparent and liberal as possible, so that not only large exporters benefit from the free trade agreements but also the small- and medium-sized enterprises that are typical of firms in the Mediterranean area.

6. Adopt a system of cumulation of rules of origin as liberal as possible in order to promote industrial cooperation among the southern Mediterranean countries and ensure that Turkey is included in this scheme. Limiting the cumulation to those countries that will conclude free trade agreements (FTA's) among themselves, would in practice mean that the poorest economies, which most need help, would be excluded from this privilege[9].

9 I explore the issue of cumulation in another paper, to be published in Mediterranean Politics: Tovias, A., The Economic Impact of the Euro-Mediterranean Free Trade Area on Mediterranean Non Member Countries.

7. Work for the creation of a Euro-Mediterranean Economic Area in the field of goods, by concluding mutual recognition agreements with each country in as many areas as possible, starting with those relating to technical barriers to trade (such as certification, testing, norms and standards)[10].

8. Provide the southern Mediterranean countries with technical advice and funds in their endeavour to raise standards to new and higher harmonized levels introduced in the Single Market in several domains (such as fertilizers).

9. Encourage any move made by the southern Mediterranean to diminish its increased dependence on EU suppliers, which will be one of the negative outcomes of the Partnership. This means that not only regional integration among these countries should be fostered, but also with other regions and continents.

10. Encourage EU member states to "untie" their existing bilateral aid programmes to allow the recipient country to finance the purchase of equipment of their choice.

11. EU member states should approve the concession of business traveler visas for nationals of Arab MNMCs. A smooth functioning of the FTAs is inconceivable if MNMCs entrepreneurs have to get travel visas every time they visit their EU counterparts or to participate to a business fair in Europe.

6. The issues of fiscal revenue and trade diversion

The two issues are linked. Many tariffs in MNMCs are there for fiscal, not protective reasons. Examples are duties on cars, machinery and household equipment, which are not locally produced at all. It is precisely the elimination of fiscal tariffs on EU- or other MNMC-originating imports which is the more problematic item of the Partnership from a welfare viewpoint for a given MNMC: Not only is there a loss of fiscal revenue which requires either to cut down on expenditure or to replace duties by other suitable taxes, but more important, that only trade diversion, not trade creation, can be the outcome. Insofar as EU- and MNMC-originating imports are bought at higher prices than the imports being replaced, there is a welfare loss, since there is a deterioration in the terms of trade, which translates in an increase in foreign currency outlays. This is further aggravated if as a result of the duty elimination, the volume of imports expands[11]. To prevent this from happening it would have been better

10 This implies the gradual harmonization of legal systems with EU law. The aim is to promote inward FDI, facilitate exports and enhance competition in domestic markets. This is what is being done with CEEC nowadays.

11 It remains also to be seen how the US will react to any move perceived as endangering their exports to MNMCs (e.g. of agricultural temperate products or of machinery and equipment).

to exclude from the FTA regime goods which are taxed at the border only for fiscal reasons or else include them but replace the duty by an equivalent VAT. In fact the FTA idea should be confined to sectors for which there is overlap between the EU's and the MNMCs production structures or among the MNMCs themselves so that trade creation be maximized and trade diversion against outsiders be minimized. At present there are overlaps in at least the following sectors:

1) agricultural products
2) processed food
3) chemical products
4) contruction materials
5) leather, wood and textile manufactured and semi-manufactured products
6) tourism services
7) construction services

7. Conclusion

If the goal of creating a zone of shared prosperity expressed in the EU initiative on the Euro-Mediterranean Partnership is to have any real meaning or substance, it is not sufficient to encourage the southern Mediterranean countries to proceed with economic reform and trade liberalization by asking them to eliminate tariffs and QRs (quantitative restrictions) on EU originating exports. The EU must also join in the endeavour. If we compare with the deal offered by the EU to CEEC, the one offered to the MNMCs seems much worse. In the case of CEEC, the latter are offered membership and entry into the ınternal free movement Market in exchange of reform and adjustment. MNMCs are asked to do the latter in exchange of money to cope with the adjustment, but not integration in the Internal Market for goods and services.

In fact this author has the impression the EU wants to have FTAs with MNMCs to equilibrate its relations with CEEC, compensate for the increasing US influence in the Eastern Mediterranean and increase its exports to MNMCs (and not its imports from there). This is a Southern European, rather than a EU approach, which is what is called for. Northern European countries seem to be uninterested by the issue. They are wrong. Why? Because there is an Internal Market since 1993, leading to a border-free Europe. Illegal immigrants heading North looking for work will not stop at the frontiers of Spain, France or Italy. They will be able to proceed until Sweden. And in the short run, the elimination of tariffs in MNMCs and the ensuing adjustment pressures will increase, not decrease, emigration from the Mediterranean to the North. The answer will have to come from those in Europe which will realize sooner or later that only by importing more agricultural and labour-intensive goods from MNMCs can the flow of MNMCs be stopped by peaceful means.

BIBLIOGRAPHY

Aliboni, R. (1992), "The Mediterranean Dimension" in Wallace, W., ed., *The Dynamics of European Integration,* London, Pinter for the Royal Institute of International Affairs.

Barcelona Declaration Adopted at The Euro-Mediterranean Conference, Final Version, Barcelona, 28 November 1995.

Bensidoun, I. and Chevallier, A., (1996) *Europe-Mediterranee: Le Pari de l'Ouverture,* Paris, Economica, Collection CEPII.

Cambra Oficial de Comerc, Industria i Navegacio de Barcelona (1995), *The Euro-Mediterranean Economy,* November.

Commission of the European Communities (1985), *The European Community and the Mediterranean,* Luxembourg, Office for Official Publications of the European Communities.

Commission of the European Communities (1990), *Redirecting the Community's Mediterranean Policy. Proposals for the period 1992-96,* Communication from the Commission to the Council, SEC (90) 812 final.

Commission of the European Communities (1994), *Strengthening the Mediterranean Policy of the European Union: Establishing a Euro-Mediterranean Partnership,* Communication from the Commission to the Council and to the European Parliament, Brussels, COM (94) 427 final.

Ekholm, Karolina, Torstensson Johan and Torstensson Rasha (1995), The Economics of the Middle East Peace Process: Are there Prospects for Trade and Growth?, unpublished paper.

European Commission, Spokesman's Service, The Commission proposes the establishment of a Euro-Mediterranean Partnership, Brussels, 19 October 1994, P/94/56.

Featherstone, K. (1989), "The Mediterranean Challenge: Cohesion and External Preferences" in Lodge, J., (Editor), *The European Community and the Challenge of the Future,* N.Y., St. Martin's Press.

Forum Civil Euromed (1996), *Hacia un nuevo escenario de asociacion euromediterranea,* Barcelona, Institut Catala de la Mediterranea.

Grenon, M. and Batisse, M. (1989), *Futures for the Mediterranean Basin: The Blue Plan,* Oxford, Oxford University Press.

Grilli, E. (1993), *The European Communities and Developing Countries,* Cambridge, Cambridge University Press.

Hoekman, B. (1995), The WTO, the EU and the Arab World: Trade Policy Priorities and Pitfalls, CEPR, Discussion Paper Series, No. 1226, August.

Hoekman, B. and Djankov, S. (1995), Catching Up with Eastern Europe? The European Union's Mediterranean Free Trade Initiative, CEPR, Discussion Paper Series, No. 1300, November.

Koekkoek, A. et al. (1990), Europe 1992 and the Developing Countries: An Overview, *Journal of Common Market Studies,* Vol. 29, No. 2, December, pp. 111-32.

Hunter, S., Luciani, G., Ludlow, P., Tovias, A. and Van Ekelen, W. (1995), *The CEPS Agenda for Action on the Euro-Mediterranean Partnership,* Brussels, Center for European Policy Studies, November.

Khader, B. (1995), *Europa y el Mediterraneo,* Barcelona, Icaria. 2.

Ludlow, P. (Editor) (1994), *Europe and the Mediterranean,* London, Brassey's (for CEPS).

Nonneman, G. (Editor) (1992), *The Middle East and Europe: An Integrated Communities Approach,* London, Federal Trust for Education and Research.

Pomfret, R. (1986), *Mediterranean Policy of the European Community,* London, Macmillan (for the Trade Policy Research Centre).

Raban, Y. (1987), *Potential Trade between Israel and its Arab Neighbours,* Tel Aviv, The Armand Hammer Fund for Economic Cooperation in the Middle East.

Rhein, E. (1996a), The New Euro-Mediterranean Partnership, paper presented at the Trans-Atlantic Workshop on Regionalism, Ebenhausen, July 4-6 1996, unpublished.

Rhein, E. (1996b), Europe and the Mediterranean: A Newly Emerging Geopolitical Area, paper presented at the Conference organized by the F. Naumann Stiftung on Towards a (Euro-) Mediterranean Free Trade Area, July 7-13 1996, unpublished.

Silber J. and Zilberfarb B. (1995), The trade potential Between Israel and the Arab Countries, unpublished paper.

Stevens, C. (1990), The Impact of Europe 1992 on the Maghreb and Sub-Saharan Africa, *Journal of Common Market Studies,* Vol. 29, No. 2, December, pp. 217-41.

Tovias, A. (1992), The EC's Contribution to Peace and Prosperity in the Mediterranean and the Middle East: Some Proposals, *Jerusalem Journal of International Relations,* Vol. 14, No. 2, March, pp. 123-32.

Tovias, A. (1994), The Mediterranean Economy, Chapter I in P. Ludlow (ed.), *Europe and the Mediterranean,* London, Brassey's (for CEPS), pp. 1-44.

Tovias, A. (1996), The EU's Mediterranean Policies Under Pressure, *Mediterranean Politics,* Vol. 2, pp. 9-25.

Vandewalle D. (1994), The Middle east Peace process and Regional Economic cooperation, *Survival,* Vol. 36, No. 4, Winter, pp. 21-34.

Yesilada, B. (1991), The EC's Mediterranean Policy", in Hurwitz, L. and Lequesne, C., eds., *The State of the European Community,* Boulder, Lynne Rienner, pp. 359-72.