

A GEOPOLITICAL OVERVIEW ON THE MEDITERRANEAN SEA THE APPROACH OF THE EURO-MED POLICY TOWARDS THE COUNTRIES OF THE SOUTHERN FRONT (FROM MOROCCO TO EGYPT)

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1. The Mediterranean Sea, a restless area.

Nowadays, geopolitical studies are more and more interested in dynamics and assets which are typical of the Mediterranean area. At the beginning, before being considered as center of power and economic relationships, the Mediterranean sea has been a cradle of civilization, a cradle in which has been growing up our literary and poetical tradition. In fact, everyone knows the great heritage, represented by Homer's poems, Archimedes' astronomy and Strabone's geography. In the last century, the Mediterranean Sea was the cradle of some of the most important intellectuals in the world (for example, Fernand Braudel¹, Predrag Matvejevic² and Georges Duby³).

Nevertheless, in the last decades of 20th century, it was the same idyllic idea of the Mediterranean Sea as a prosperous and peaceful place to create problem in the international scientific debate.

In fact, it was no possible for the scientists to share a kind of 'geopolitical optimism' because of different reasons: the decolonization, the Jewish exodus and the struggle to build a new state in Israel let public opinion to think that Mediterranean area is also full of contrasts, violence and war. In fact, the Mediterranean area is a complex framework in which it is possible to find tolerance and culture, but also discontinuity and contradiction, created by a different territorial potentiality.

The geopolitical crisis is also linked with the ethnic complexity of the whole Mediterranean area, in which different communities and religions live side by side: in this case, the dialogue is not always simple.

It is possible to divide the whole Mediterranean framework in two parts: the first is represented by the Northern part, in which the European Union could assure

¹ He is the author of the essay *The Mediterranean sea: space, history, protagonists and tradition*, which has been published in Italy in 1987.

² He is the author of the book *Mediterranean Compendium*, published in 1987 and updated in 1991.

³ He is the author of *Historical Atlas* (1992).

to its citizens a high standard of life; the second is the Southern part of the Mediterranean area and the Middle East, in which there is a great political instability. This political instability, which has ancient and more recent roots, damages not only the role and the importance of the territorial framework between East and West Union, but also the political institutions based from Israel to Syria, from Caspian Sea to Afghanistan.

On the other hand, the African border has overcome, in different ways shared by local communities, the effects determined by French, Spanish and Italian colonization.

In fact, in the recent years, in North Africa also the civil war, which has determined a new political balance, has testified the development of a new, local and common identity.

This new course, called “Arabic spring”, has been considered in different ways: for example, in Morocco, the local government has opened a new season of reforms⁴, while in Tunisia a political system more democratic and ‘occidental’ has been established. In Algeria, otherwise, the local government has defined positive commercial relationships with European countries: these relationships are based on the development of hydrocarbon market (from Algeria towards EU) and high technology (from EU to Algeria).

Otherwise, the political framework in Libya is really different: after Gheddafi’s death, it is not possible to establish a strong political system, damaged by the contrast among local communities and clans. This situation is getting more and more difficult, because Libya is the center of hydrocarbon market in North Africa.

Furthermore, in Egypt, the same concept of democracy is passing a period of deep crisis, because of violent conflicts determined by religious reasons, among local clans and political parties: these conflicts are contained by the armed forces of local government.

This strong geopolitical complexity has deeply changed the same concept of Mediterranean philosophy, which could not be expressed in a single and limited territorial framework, but in a small world with its contradictions and conflicts.

According to our point of view, nowadays we can only think about a “broaden” Mediterranean sea, analyzing these three concepts:.

⁴ Despite the opposition, in the recent April 2014, the President Bouteflika was re-elected on the first ballot. The country's political stability is ensured by a balance of power between the presidency crossing, executive, military, administration and judiciary. In 1992, after the unexpected electoral victory of the Islamic Salvation Front, to stop the bloody anti-Western actions by the Fundamentalists, the Secret Service's Gen.Le Mohamed Médiène realized a violent repression, which led to the marginalization of the FIS and the stabilization of the power of Bouteflika, supported by the Army.

- *Progressive dynamism*, because the Mediterranean, with its numerous countries, is the center from which our modern democracy will grow up. In this process of democratization, European Union will play a fundamental role, mediating between North Africa and Middle East;
- *Commercial perspective and transnational relationships*, because, in the middle term, the Mediterranean Sea will be the main corridor of international market, thanks to an interactive dialogue between West and East countries;
- *Geopolitical strategy*, in order to imagine the Mediterranean Sea as the first guarantee for the stability of a “broaden” Middle East, until Caucasus, Hindu-Kush and Afghanistan. In this “broaden” Middle East it is possible to build a new form of ethnic and religious dialogue, based on the same Mediterranean roots.

2. The “broaden” Mediterranean Sea

In geopolitics studies, the concept of “broaden” Mediterranean Sea is not only based on a geographic point of view, but on a transnational one. In fact, thinking about a broaden Mediterranean Sea means that there is not only a common geographic framework among Mediterranean nations, but also an economic and political one. For this reason, the broaden Mediterranean Sea touches also Iran, Caucasus and Afghanistan, which run out the same geographical and political area of economic interests.

In this complex scenario, there are strong geopolitics relationships which determines the political instability of the whole area: the need of a more diffused social welfare is mixed with the explosion of radicalism and religious integralism, which cause violent forms of social division. Furthermore, the broaden Mediterranean Sea could be expressed in different areas, which are characterized by different forms of political stability and instability. In order to have a global view on this asset, we could distinguish the whole Mediterranean area in different sides, which establish also different relationships with the Western countries. We could define these sides in this way:

NORTH CORNER

A) Stable areas (UE countries)

North-West Mediterranean Sea (Spain, Italy, France)

North-East Mediterranean Sea (Greece, Bulgaria, Romania, Slovenia, Croatia)

B) Areas in transition and moderately instable

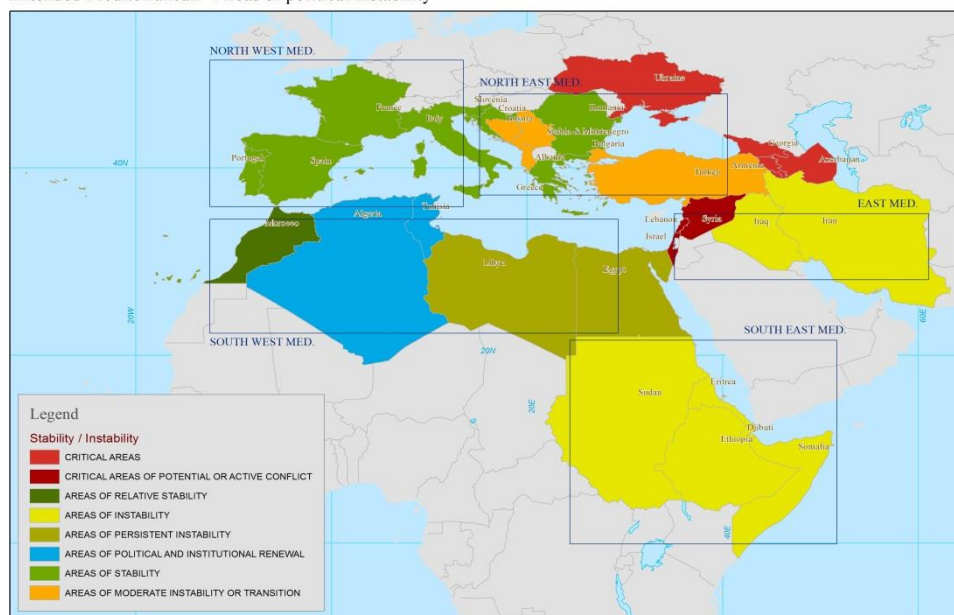
North-East Mediterranean Sea (Bosnia, Turkey, Serbia, Montenegro, Albania)

C) Instable and critic areas

Caucasus and Russian corner: (Ukraine, Georgia, Armenia, Azerbaijan⁵)

Figura 1 – *Critic areas of political instability in the Extended Mediterranean*

Extended Mediterranean - Areas of political instability



Source: Prof. T. D'Aponte, elab. from World Population Prospects

Note: Cartography by C. De Luca- Dip.Sc.Pol.

SOUTH CORNER

South-West Mediterranean Sea⁶

- A) More occidental and stable areas (Morocco)
- B) In transition with a new political system (Tunisia and Algeria)
- C) Countries which are still in a condition of political and economic instability (Libya and Egypt)

EAST CORNER

South-East Mediterranean Sea⁷

⁵ Russian Corner has been instable since the last Nineties: from that period conflicts are based on religious problems, energetic needs, political and military oppositions.

⁶ There are some countries in which conflicts have been based on the opposition against local government, which has been seen as a regime by local population. The 'Arabic spring' has shown to the rest of the world that in North Africa it was necessary not only to establish a new political course, but also a new political balance. Nowadays, also if local regimes have been demolished, there is still difficult to find a new democratic course for local affairs.

- A) Instable and critic areas (Sudan, Eritrea, Gabon, Ethiopia, Somalia)
- B) Instable area in the East corner (Iraq and Iran)

East Mediterranean Sea⁸

- A) Critic areas where conflicts are potential or real (Israel, Lebanon, Syria)

The common Mediterranean character, which has been emphasized in the last years, is that in the whole Mediterranean area (apart from EU countries) is offended by political instability and, for this reason, also the flow of foreign direct investment indoor is deeply damaged.

Nevertheless, the Mediterranean area, also being considered at risk of instability, is still a point of reference for the development of the future geopolitical assets.

It is necessary to underline that there are some international actors who are interested in defining their authority and power in the Mediterranean area: these actors are active, when their political action is aimed at conquering a more positive role in the Mediterranean Sea, and passive (or latent) when their transnational relationships are not really influent on the local asset of Mediterranean regional economies.

It is obvious that active actors are represented by occidental and more developed countries, who not only have a military and political control on the whole Mediterranean area, but also a diplomatic role in the Mediterranean region.

Recently, some actors have had a more aggressive intervention in the Mediterranean area, while others have assumed a more diplomatic and protective role: for example, the United States have still a strong influence in the area, thanks to their aero-naval bases.

Also the Russian Federation is more and more present in the global scenario and, in particular, in the Mediterranean area, connoting its power as alternative to United States' control on the rest of the world.

For this reason, Russian Federation is still supporting economically and militarily all the countries which, more or less openly, are establishing political contrasts with US.

Also China's role in the Mediterranean Sea has been changing: in fact, China has been trying to establish a new economic control on the Mediterranean.

This control has been based on strong commercial relationships, which are linked with agribusiness and high technology: in particular, it is really appealing the great quantity of raw material which characterizes African territories.

⁷ Arabia, which is really important in the balance of global geopolitical relationships, is not directly included in Mediterranean framework for geographic and political reasons.

⁸ The East corner of Mediterranean Sea is characterized by different problems: for example, the dearth of hydro resources and the food requirements are social pathologies not still resolved in that area. The exploitation of energetic resources and the emergency of religious contrasts define the deep criticism of the whole area.

On the other hand, regional actors are not able to establish a process of international cohesion, because they are deeply involved in a recent mechanism of social and economic modernization: for example, African corner is still lazy in adopting a common perspective of economic organization.

In this complex and various framework, European Union is adopting an unsettled and changeable position, which could be compared with the waves of Mediterranean Sea: European Union could not avoid to be involved in the “Mediterranean problem”, but the dialogue between North and South corner of this area is not always simple.

For this reason, it is possible to conclude that in the “broaden Mediterranean Sea” the central problem is the energetic one, because the energetic dependence introduces factors of risk both in the Occidental countries (US and Europe) or in South Asia (especially in China).

In this framework, it is getting more and more relevant the role of Russian Federation, the main energetic authority closer to Europe with its Caspian corridor, on which European energetic needs are based. Summarizing, there are a lot of problems in the “broaden Mediterranean Sea”: the question of Palestine, the role of Iran and the instability of Afghanistan define a complex scenario in which active actors are in instable balance⁹. At this point of our research it is useful analyses the territorial framework of North Africa, which is really important for different reasons: in effect, North Africa is the closest African corner to Europe and it represents, in particular for South Italy, a center of interest but also a great problem because of the continuous exodus of migrants who unload on Italian coasts.¹⁰

3. The North African “theater” in the Mediterranean Sea

In the countries of the Southern part of Mediterranean Sea there are in some cases uniform indicators (birth rate, mortality rate, fertility rate, life expectancy at birth), while, for example, in Algeria and Egypt growth rate is different from Libya, Morocco and Tunisia.

⁹ More recently, during the preparation for printing of this paper, new serious events occurred between Syria and Iraq. We refer to the fierce advance of ISIS militants of Al-Baghdadi, leader of the terrorist group that seeks to establish the Caliph of the Islamic State of Iraq and Greater Syria (or the Levant), or, more simply, “the Islamic State

¹⁰ South Italy could play an important role in the relationships with North Africa: 1) in fact, South Italy could determine a new political balance in the Northern corner of Africa, increasing import and export flows; 2) furthermore, South Italy could have a diplomatic role, emphasizing the dialogue between African and Europe, establishing also a more positive approach towards the country of MENA (Middle-East North Africa) framework.

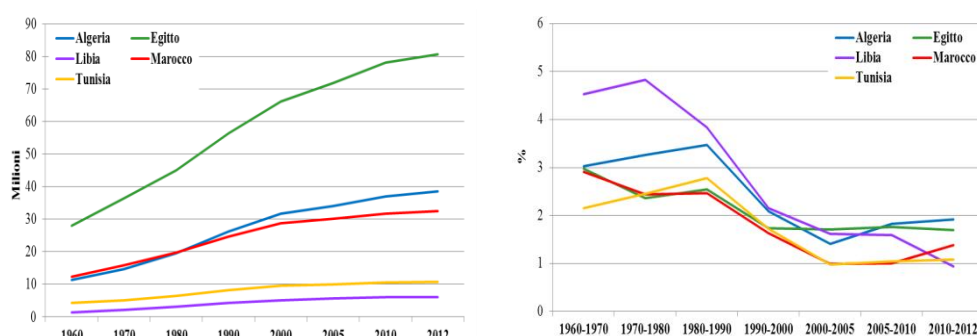
Table 1 – Demographic Indicators

Indicators	Algeria	Egypt	Libya	Morocco	Tunisia
Population (million inhabitants)	38.5	80.7	6.2	32.5	10.8
Birth rate (%)	24.4	24.2	17.5	19.0	17.3
Mortality rate (%)	4.3	4.8	4.9	4.8	5.9
Infant mortality rate (%)	23.4	24.2	12.7	26.5	25.0
Growth rate	2.0	1.9	1.3	1.4	1.1
Life expectancy at birth (years)	75	73	78	76	75
Fertility rate	2.8	2.9	2.1	2.2	2.0
Net migration rate (%)	-0.27	-0.2	Not available	-3.67	-1.78
Urban population (%)	66	43	78	58	67

Source: The World Bank.

3.1. The demographic dynamics

It is obvious that this current asset is the natural consequence of a trend which has been determined in the last fifty years.

Figure 2 – Population growth rate (1960-2012)

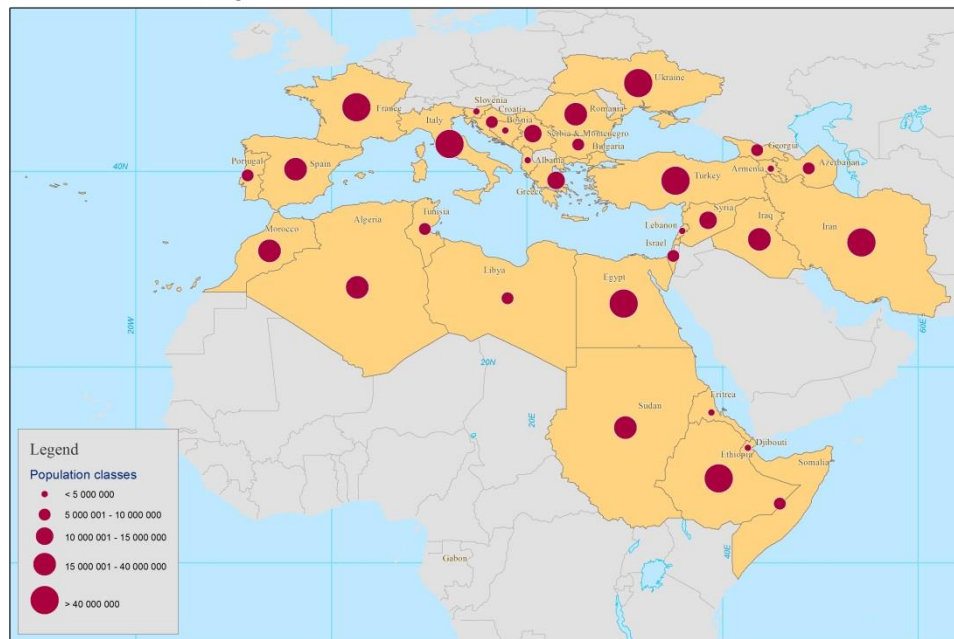
Source: The World Bank.

The most interesting element among demographic indicators is that North African population has been quickly growing: inhabitants are now 170 millions (they were 75 millions in the last decades) and, in 2030, they will reach 200 millions, with a prevalence of young people.

In the following figure 3, it has been shown that both in the two most populous countries (Algeria and Egypt) or in the two less populous (Libya and Tunisia) the pyramid has a large base and it means that young people are a prevalent component in local population.

Figure 3 – Population of the countries of the North and South of the Mediterranean

Extended Mediterranean - Population



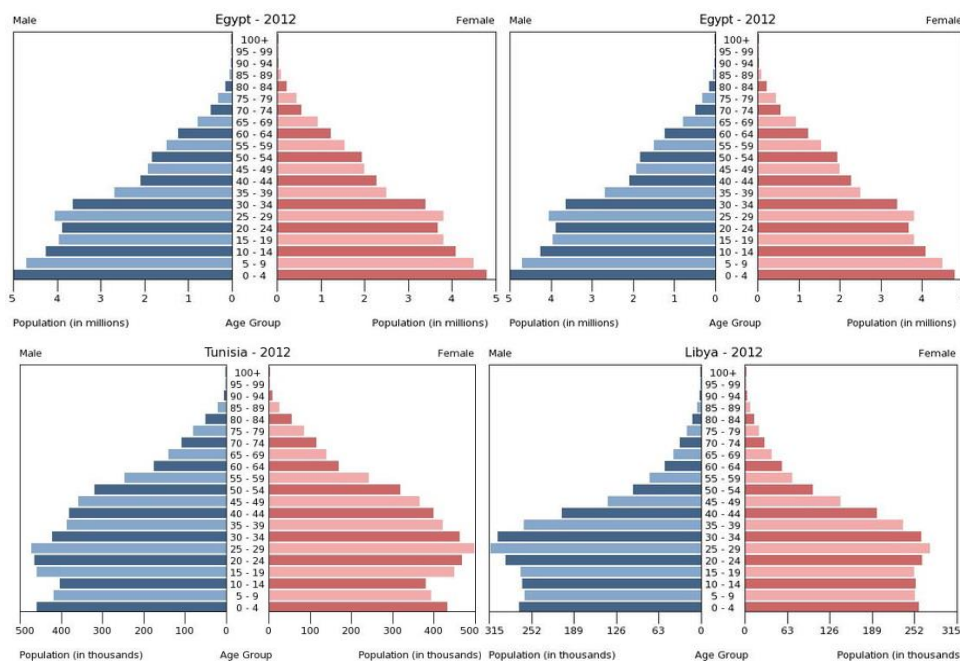
The most important aspect that emerges from the analysis of the demographic size of the area is represented by the fact that in just 35 years it has gone from 75 million to 170 million inhabitants. That is, the time interval of a single generation, has more than doubled the population of the area.

In perspective, so even taking into account an expected decline in birth rates, it is estimated that in 2030, the "market" of North Africa will reach 200 million people, with a strong presence of young population.

The structure of the age-pyramid for the two most populous countries (Egypt and Algeria) and least populous (Libya and Tunisia) shows very clearly that in all the countries will have an enormous expansion of the base, ie, the band where he focuses most young population.

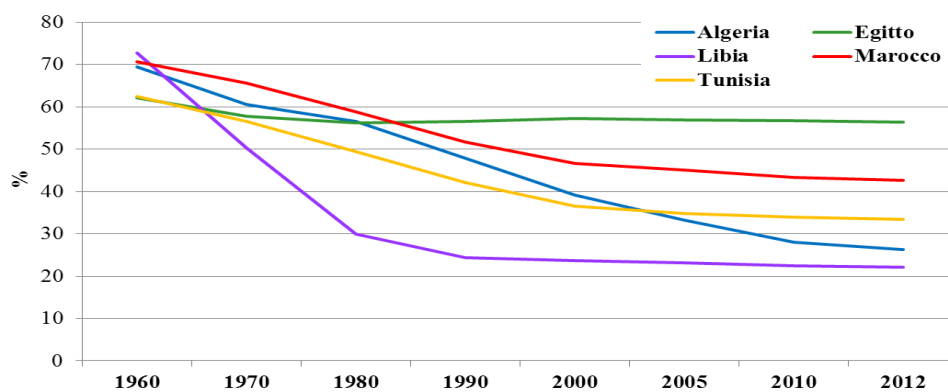
The recent transformation of population settlement has been showing that numerous inhabitants have been concentrated not only in the coastline, but also in cities and capitals, avoiding, in this way, the poor and difficult social context of hinterlands.

Figure 4 – Population age in the most and less populated countries



Source: our elab. based on World Bank data

Figure 5 – Decrease of rural population and urbanization



Source: our elab. based on World Bank data

Internal migration, always directed from the interior to the coastal cities, is only one aspect of the redistribution of the population of North Africa. In fact, very often, reached the coast of the population, along with many other immigrants from

different countries (Mali, Niger, Nigeria, Ciad, Camerun, Ethiopia, Somalia, Eritrea), try the adventure to Europe. With first preference destination in Italy. Not only because the nearest European country, but also because the Italian military fleet at sea provides security.

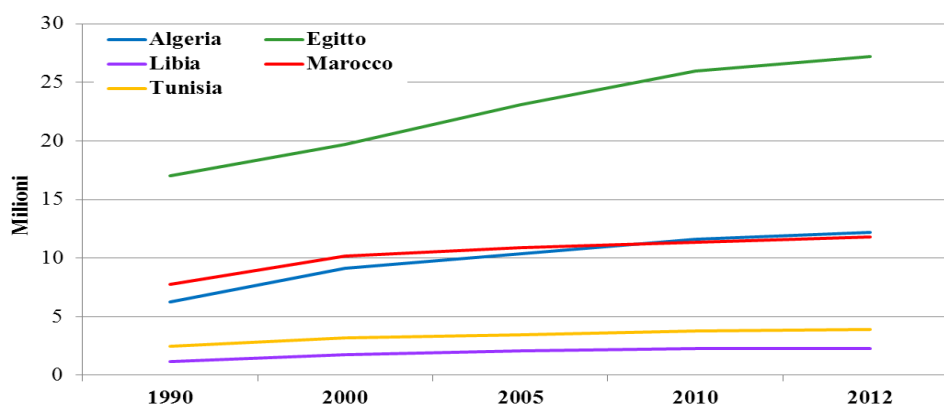
UN projections speak of a North Africa intended to gradually normalize in terms of population, thanks to the improving global economy and the gradual increase in the average education of young people, especially women. However, the problem remains unsolved for a corresponding, appropriate growth of skilled jobs and, what is most important, fairly paid.

It is also essential to consider that the modest differentiation of inter-sectoral composition of the economy, overly influenced by the energy component, even in countries with a higher rate of growth of domestic product, does not allow adequate employment developments, as it determines strong exposure of component migration more educated¹¹.

3.2. The “gocioeconomic” context

The demographic structure, the size of the available labor force and the presence of huge energy resources, together with the opportunities for tourism development and good traditions in the field of manufacturing, make it decidedly high growth potential of the countries of the southern Mediterranean.

Figure 6 – Dynamics of Labour force 1990-2012



Source: our elab. based on World Bank data

¹¹ Before the fall of Gaddafi's 90% of the Libyan population enjoyed a high rate of school attendance and a standard of living that, despite the economic sanctions imposed on the Western Alliance, the early nineties, had reached one of the highest levels of well-being the region.

The most important negative factor for foreign investors, is represented by the excessive level of political instability that persists, even more so in recent years, in different countries of the area.

The World Bank shows that the countries in question, despite the structural reforms and the advances achieved in socio-economic, tend to place themselves in positions still decidedly marginal in the international rankings.

The report of the World Economic Forum (2014) puts Algeria, Libya and Egypt among the last places in the ranking of 147 countries surveyed. The main causes of this backwardness are to be related to the persistent rigidity of the labor market, poor diffusion of innovation, but also the difficulties of security of financial capital, the bad bureaucracy, widespread corruption, the lack of vocational training, the opacity of economic policies.

If, then, we examine the values of the "Global Competitiveness Index" ¹², all the countries of the southern shore, are at greater distances than those in the EU belonging to the northern shore of the Mediterranean.

Table 2 – *Global Competitiveness Index (GCI)– 2013*

PAESE	Index	Posizione	PAESE	Index	Posizione
Francia	5,05	23	Tunisia	4,06	83
Spagna	4,57	35	Grecia	3,93	91
Italia	4,41	49	Algeria	3,79	100
Marocco	4,11	77	Libia	3,73	108
			Egitto	3,63	118

Source: *World Economic Forum*

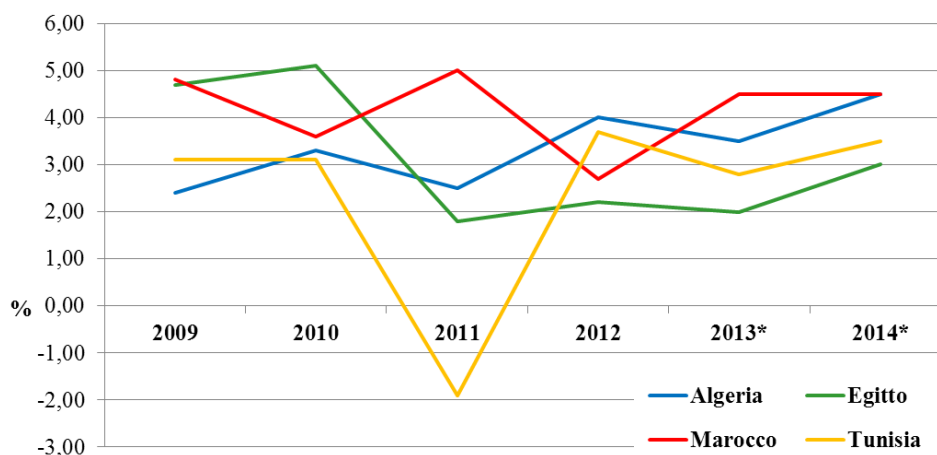
In terms of economic potential, it is possible to distinguish between these countries in only two groups: a) the large energy producers (Algeria and Libya), with strong sector concentration of exports (over 90% made up of energy and derivatives) oriented mainly toward large EU countries; b) countries with a more diversified structure of the economy (Tunisia, Morocco and Egypt), with moderate growth in manufacturing output in sectors with high labor intensity and significant trade relations with the EU.

Although the countries of the Southern Mediterranean have, currently, a modest economic position even in the global context, they take on special importance on a plan of development opportunities. Not only for the extremely relevant role of alternative suppliers of energy compared to Europe, but because of the growth opportunities and business related to the processes of diversification of national

¹² The Global Competitiveness Index (GCI) aims to quantify the impact of several key factors that contribute to creating the conditions for competitiveness, with particular focus on the macroeconomic environment, the quality of institutions, and the state of technology and infrastructure. Only the Greece for the recent economic situation that has affected, is ideally rearmost Morocco and Tunisia

economies to be realized in the coming years. To all this, we must add that must have been completed a further redistribution of social welfare, with a consequent increase in income levels and capabilities resulting from consumption of the local population.

Figure 7 – Recent changes in the growth rate of GDP (after the 2008 crisis)



Source: our elab. on World Bank data; to Libya data not available

The graph shows that, after an initial sharp decrease in growth rates, caused by the socio-political revolutions that have crossed the economies of North Africa, from 2011 records a strong recovery, with a stable trend GDP growth of between 3 and 5 % per annum.

A major problem depends on the consideration that the bank deposits, which would finance the productive system indoor, depending mainly on the economy, the main form of households' financial wealth, (and, in part, by remittances from emigrants) is rather small. This explains the modest role of the banking system that, by itself, can only to a limited extent to finance the development, the progress of which essentially depends mainly on the role played by the State¹³.

In summary, the set of observed conditions and the prospects for further progress of the North African countries, there are substantial opportunities for

¹³ The presence of the state in the economy is very important. In Libya, in particular, during the regime of Gaddafi represented as much as 90% of the total national investment. Privatization processes have been initiated in various countries, although recently slowed down with the onset of the global financial crisis and domestic political instability. The presence of foreign banks is marginal in Algeria and Libya; while an important role is played mostly in Morocco and Tunisia by French banks. Recently, Egypt has grown in the position of Italy, after the purchase, in 2006, the Bank of Alexandria by the Gruppo Sanpaolo-IMI.

cooperation in the modernization of the productive apparatus that those countries will have to achieve. At the same time there is an unquestionable strategic interest of the European Union to support economic growth and the strengthening of collaborative links with an area which, geographically, plays a role as a bridge between north and south, and, simultaneously, between the eastern and western gate of the Mediterranean.

Table 3 – Matrix of the risks and prospects of development

COUNTRY (COUNTRY RISK)	GDP growth	CRITICAL ISSUES	FACTORS OF DEVELOPMENT	POLITICAL EXPECTATIONS	FOREIGN TRADE EXPORT	FOREIGN TRADE IMPORT
ALGERY	In recent years realizes robust growth (+4%). Unable to compensate for the critical period and stands at ten-year average (3.5%)	Extreme dependence on oil (95% of exports and 45% of GDP). Excessive state presence in the economy. Lack of sectoral diversification. Tensions with Morocco for control over the Western Sahara	Significant reserves of hydrocarbons. Wide availability of funds. Substantial public investment in infrastructure. Provision of state subsidies to support the population to support domestic consumption.	Productive innovation with greater presence of private component. Further development of infrastructure and construction. Containment of unemployment. Consequent increase in private consumption.	Spain Italy United Kingdom France US	Cina France Italy Spain Germany
EGYPT	He has affected to some extent of the crisis, but even more to recent political instability. In the face of a previous trend close to 5%, after 2001, the GDP fell by around 2%	Need to reduce debt and control inflation. Investing in agriculture (28% of employment) by increasing the arable land. Extreme social gap with high weight of poverty.	Exploitation of energy reserves. Large internal market. Strategic Geographical Location. Development of tourism (falling because of the political crisis). Proceeds of the Canal always high. IDE in strategic sectors	Plan of investment in transport, infrastructure, telecommunications, health and water treatment. Contrast unemployment. Recovery of IDE, especially from the Gulf Emirates. Political stability as an antidote to the crisis in tourism and foreign investment.	Italy India USA Saudi Arabia Turkey	Cina USA Germany Russian Fed. Ukraine Turkey Italy
LIBYA	Lack of reliable data. Undoubtedly, the condition of extreme political instability adversely affects all values of economic fundamentals.	Overweight of oil remittances. Lack of product diversification. Crisis due to lack of competitiveness of the processing industry. Tribal contrasts.	Important energy reserves and not marginal development opportunities in the private component, boosted by the opening of the market.	Private sector development aimed at diversifying independently from mining. Use of oil revenues for the import of goods aimed at raising the standards of consumption of the population. Rapid implementation of a reconstruction plan. Fight against corruption.	Italy Germany Cina France Spain	Italy Cina Turkey Egypt South Korea
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Table 3 (continue) – Matrix of the risks and prospects of development

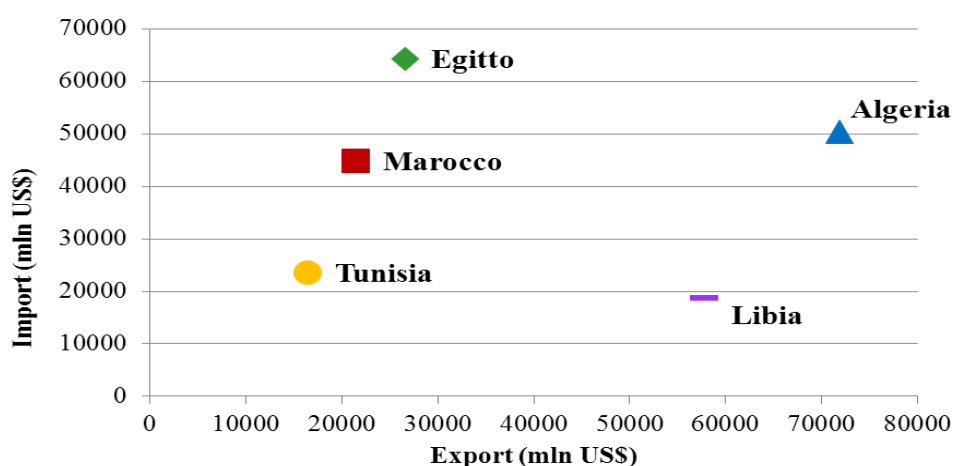
COUNTRY (COUNTRY RISK)	GDP growth	CRITICAL ISSUES	FACTORS OF DEVELOPMENT	POLITICAL EXPECTATIONS	FOREIGN TRADE EXPORT	FOREIGN TRADE IMPORT
MOROCCO	Little effect of the crisis, both economic, and political, quickly retracted. Changes in GDP in 2012 (2.7%) compared to the long-term trend (4.5%) derive from the effects of drought. A stable growth is expected.	Agricultural sector highly exposed to atmospheric variables. High weight on GDP dependence. Dependence on remittances from emigrants. Social differences and widespread poverty.	Intense economic relations with Europe (the main partner of Morocco). New impetus for government intervention as a result of popular protest, immediately absorbed. Significant role of Tangier in the movement of container.	Substantial investment in road infrastructure, ports, airports, highways, high-speed (Tangier - Rabat via Casablanca) in agreement with France. Creating over 1 million jobs. International Collaboration (FDI growth). Significant effects of the agreement with the EU for the Free Trade Area of commercial and industrial goods for the benefits produced by the ENP (European Neighbourhood Policy)	France Spain Brasil India USA	Spain France Cina USA Saudi Arabia
B 2		Slowdown of FDI. Lack of presence of the private sector. The crisis in Europe has affected economy by reducing exports and tourism. Agriculture fueling the export leaves in debt domestic consumption. Heavy weight of Remittances of emigrants.	High potential for agriculture and tourism. Relief of mining (phosphates). Possible reduction of energy dependence for new exploration of deposits of modest consistency. The service sector is fairly dynamic.	In the manufacturing sector are essential interventions to support production. The need to reduce dependence on food by intervening on the types of crops (less export). Need for political stability. Urgency of infrastructure in transport and in electricity.	France Italy Germany Libya Switzerland	France Italy Germany Cina Algeria
TUNISIA	The annual growth rate of GDP is aligned around a 3%. A sharp fall (-1.9%) was recorded in 2011 as a direct effect of the political crisis					
B 3						

The problems and prospects of more obvious interest are summarized in the following table, which has been taken into account both the country risk, both buoyancy of trade relations already currently in progress.

4. The relations with Italy and the outlook of the “MEDA” UE program

Although there are many doubts and uncertainties about the political stability of countries including, mainly, Libya and Egypt, the commercial movement in the southern Mediterraneo is anything of modest economic dimension.

Figure 8 – Trade with the rest of the world



Source: our elab. from IMF data 2012

The largest firms, traditionally present in the area¹⁴, remain firmly active in the sector of the IDE, otherwise an expansive trend of foreign investment, aimed at small and medium enterprises, is, still, held back by the high "country risk".

To overcome this obstacle, countries, such as the Egypt, they have established a program of tax incentives, reduction of the energy costs and commitments in vocational training and, (what more should reassure foreign investors), assurances about the safety and inviolability of invested capitals.

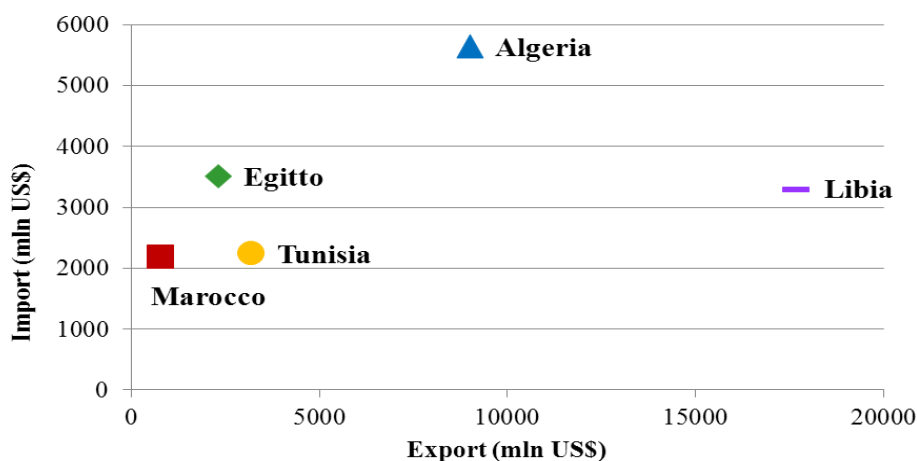
Italy's position, although not reaching high levels (about 8% of national total) is interesting. Mainly considering the specialization of the productive sectors, on the one hand, and the evolution of social and economic dynamism that, in the short term, tends to involve the countries of North Africa.

¹⁴ Among the major Italian companies, active in the area, the main operator is represented by ENI, in the energy sector. But even Edison, Italcementi, Ansaldo, Breda, Italgas, Techint Group Cementir and others, play a leading position in their respective fields.

In fact, many productive sectors, affecting the industry of the southern shore Mediterranean Sea appear effectively connected and associated to the type of the Italian model of enterprise, and to the many and various specifications that constitute its competitive appeal.

Moreover, if we consider the direction and the geographical distribution of the Mediterranean's trade flows involving Italy, is very clear as the percentages tend to double, when calculated against the interchange with the southern regions of the Italy. This fact confirms the special interest "meridionalista" to the interaction between the two shores of the Mediterranean basin. Clarifying the sense that it assumes particular importance that connects the Italian economic growth through a significant increase in the role of the South in the economic development of the whole of Italy.

Figure 8 – Trade with Italy



Source: our elab. from IMF data 2012

A further important aspect of the "Mediterranean question" is the relative marginal attention of the country's "non-Mediterranean" of Europe, first of all on the political level, and, consequently, also in terms of business interests and support the process of development of the economies of North Africa.

On the one hand, it is always important the French presence in Algeria, Morocco and Tunisia; the other is the United States, and even more, China, Russia, Turkey, and even South Korea, who are competing for top positions such as "customer" or "supplier" of the countries of the southern Mediterranean. In the EU, only marginally, Germany and the United Kingdom appear interested in significant positions in the trade with the countries of the Southern Mediterranean Sea.

The European Union plays a role in the application of the "Barcelona Process", in 1995, had seemed quite effective in achieving a strong Euro-Mediterranean Partnership between the Europe and the countries of the southern Mediterranean¹⁵.

However, the "Barcelona Process" has achieved modest results achieved, while there has emerged a broader strategic vision of the role that the EU would dovutto play in that area, specifically in relation to the affirmation of the concept of "enlarged Mediterranean." For this reason, at the Summit for the Mediterranean held in Paris in July 2008, was approved the establishment of the Union for the Mediterranean¹⁶.

The partners of the Union for the Mediterranean¹⁷ there are multiple interesting objectives:

- The de-pollution of the Mediterranean Sea;
- The development of maritime and land transport routes;
- The organization of civil protection against natural disasters and those caused by humans;
- The production of solar energy;
- The development of enterprises, (particularly micro and small enterprises).

In this context, particular importance is attached to a special program "MEDA", designed to support the economic transition in the Mediterranean countries and the establishment of a Euro-Mediterranean free trade area. The program seeks to promote economic and social reforms for the modernization of enterprises and the development of the private sector through:

- Support for small and medium-sized enterprises (SMEs) and the creation of jobs;
- The opening of markets;
- The promotion of private investment, industrial cooperation and trade between the different partners;
- Upgrading of economic infrastructure and financial and taxation systems;

¹⁵ The main objective was to be the creation, by 2010, an area of Euro-Mediterranean free trade with all the countries of the southern Mediterranean Association Agreements by concluding bilateral agreements with the EU. The association agreements and comply with a common aim to promote: a) A regular dialogue on political and security, to promote mutual understanding, cooperation and joint initiatives; b) Economic, commercial and financial, for the progressive liberalization of trade, sustainable development of the region and the increase in investments; c) Cooperation in social, cultural and education, especially through intercultural dialogue, migration control, skill development, promotion of employment law and equality between women and men.

¹⁶ The Union for the Mediterranean provides for the presidency to rotate among the partners in the North and South and establishing a permanent secretariat, based in Barcelona, to ensure the management of the regional, sub-regional and trans-nationals.

¹⁷ Important steps have been taken for the financing of projects and for the support of SMEs, within the framework of the Alliance des Banque pour la Méditerranée, by a group of twelve banks in the region as an investment fund's long-term average was formed by the Caisse des Depots et Consignations (France), from the Deposits and Loans Fund (Italy), EFGHermès (Egypt), the Caisse de Dépot et de Gestion (Morocco).

- Restoring financial equilibrium and the creation of an economic environment favorable to accelerated growth (structural adjustment support).

5. Conclusion and remarks

In conclusion, it seems evident that the need to allocate resources to promote virtuous acceleration of the processes of economic growth in North Africa stems from the growing view that the EU is biased against the centrality that takes on a western Mediterranean, peaceful and prosperous, geopolitical and geo-economic. Moreover, the entire Basin, because of its geographical configuration, as natural sea corridor for east-west trade relations, on the one hand, it suggests the creation of adequate infrastructure for logistics and for exports, while, from 'other, is presented as an essential "bridge" for the consolidation of a profitable positive climate for business, actions by imposing policies that create an environment of absolute political stability.

In this perspective, the position of logistics hubs, covered by the southern European countries, gives the EU a significant role in the southern front, "pivot", in the expansion of regional trade, even to other EU partners.

The dynamism planned for the southern Mediterranean can set in motion a process of propagation of growth with cascading effects: the planned consolidation of economic activities in North Africa will be supported by the increase in interventions both on the demand side (expansion of the middle class, increase of national wealth) and the supply (increase in economic investment and human capital).

It is apparent, with increasing evidence, a "theater" in which the mutual advantage of Europe, the Mediterranean and Africa, are emphasized by an initiative of development and peace ruled by Europe, but by establishing forms cohesive and shared with the countries of the southern Mediterranean Sea.

Annex

Northern Africa as the Southern European Front	
<p style="text-align: center;">Reciprocity Factors</p> <p>advantageous geographical location special instruments for intervention (MEDA-Un. For Med.)</p>	<p style="text-align: center;">Critical Issues</p> <p>increase in "no energy" flows Import of innovative technologies Incremental investments (IDE)</p>
<p style="text-align: center;">Commitments to be undertaken</p> <p>Political stabilization Social Policy and Humanitarian Law Progress in democracy employment and widespread prosperity (fight against poverty) investments in infrastructures development of the private sector in construction, small and medium-sized enterprises, diversification of production (contain the oil revenue)</p>	<p style="text-align: center;">Sensitive Sectors</p> <p><u>Agriculture</u> food self-sufficiency cultural diversification mechanization</p> <p><u>Industry</u> investments in infrastructures private sector growth commercial agreements import of technology promotion of foreign investments</p> <p><u>Services</u> <u>network infrastructure for ports and transportation</u> <u>telecommunications services</u> <u>cooperation in the field of tourism</u> <u>safety and hygiene</u></p>
PROGRAMS AND OBJECTIVES	
<p style="text-align: center;">MEDA program</p> <ul style="list-style-type: none"> - Support for small and medium-sized enterprises (SMEs) for the creation of jobs; <ul style="list-style-type: none"> - Opening of markets; - Promoting private investment, industrial cooperation and trade between the different partners; - Upgrading of economic infrastructure and financial and taxation systems; - Support for structural adjustment 	<p style="text-align: center;">Union for the Mediterranean</p> <p>Priority objectives:</p> <ul style="list-style-type: none"> - The de-pollution of the Mediterranean Sea; - The development of maritime and land transport routes; - The organization of civil protection against natural disasters and those caused by humans; - The production of solar energy; - The development of enterprises, particularly micro-enterprises and SMEs.
<p style="text-align: center;">Alliance Bank for the Mediterranean</p> <p>among twelve regional banks Investment Fund for medium - long term Caisse des Dépôts et Consignation (France), Cassa Depositi e Prestiti (Italy), EFGHermès (Egypt), Caisse de Dépôt et de Gestion (Morocco).</p>	

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SUMMARY

A geopolitical overview on the Mediterranean Sea the approach of the euro-med policy towards the countries of the southern front (from Morocco to Egypt)

Nowadays, geopolitical studies are more and more interested in dynamics and assets which are typical of the Mediterranean area. At the beginning, before being considered as center of power and economic relationships, the Mediterranean Sea has been a cradle of civilization, a cradle in which has been growing up our literary and poetical tradition.

Nevertheless, in the last decades of 20th century, it was the same idyllic idea of the Mediterranean Sea as a prosperous and peaceful place to create problem in the international scientific debate.

The geopolitical crisis is also linked with the ethnic complexity of the whole Mediterranean area, in which different communities and religions live side by side: in this case, the dialogue is not always simple.

In the recent years, in North Africa also the civil war, which has determined a new political balance, has testified the development of a new, local and common identity.

This new course, called “Arabic spring”, has been considered in different ways: for example, in Morocco, the local government has opened a new season of reforms, while in Tunisia a political system more democratic and ‘occidental’ has been established. In Algeria, otherwise, the local government has defined positive commercial relationships with European countries: these relationships are based on the development of hydrocarbon market (from Algeria towards EU) and high technology (from EU to Algeria). The political framework in Libya is really different: after Gheddafi’s death, it is not possible to establish a strong political system, damaged by the contrast among local communities and clans. This situation is getting more and more difficult, because Libya is the center of hydrocarbon market in North Africa. In Egypt, the same concept of democracy is passing a period of deep crisis, because of violent conflicts determined by religious reasons, among local clans and political parties: these conflicts are contained by the armed forces of local government.

This strong geopolitical complexity has deeply changed the same concept of Mediterranean philosophy, which could not be expressed in a single and limited territorial framework, but in a small world with its contradictions and conflicts.

Is apparent, with increasing evidence, a “theater” in which the mutual advantage of Europe, the Mediterranean and Africa, are emphasized by an initiative of development and peace ruled by Europe.

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