

EMEA Commentaries offer concise, policy-oriented insights into topical issues in Euro-Mediterranean affairs. The views expressed are attributable only to the author in a personal capacity and not to any institution with which he is associated.

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Our Mediterranean: What future and what expectations?

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The Southern Mediterranean region is today still fragmented – on economic, social and political grounds. Can we ever speak about a single region when data only confirm the low levels of South-South integration, major disparities in per capita incomes, desynchronized demographic developments and divergent levels of human development?

These disparities deepen when comparisons are made with European countries. Nevertheless, the countries of the South Mediterranean do share certain common characteristics. On the economic level, they have high growth potential but low levels of per capita income. They are generally net importers, with the exception of Algeria and Libya who are exporters of natural resources; their share in capital inflows amounts to a mere 5% of worldwide foreign direct investment and their underdeveloped infrastructure (energy, transport and telecommunications) needs colossal modernization. On the social level, all these countries have a huge but underutilized labour market potential; high levels of unemployment among skilled people; under-developed health, social protection and education systems. In the environment and energy fields, the region will have to face water scarcity, jeopardizing agriculture and food security, increased electricity and energy demand with an under-developed potential in renewable energy sources, as well as increased desertification, water and air pollution.

In a nutshell, growth in the South Mediterranean faces serious obstacles, ranging from political instability and conflict, inefficient and fragmented governance, to a disconnect between the financial sector and the real economy, and environmental pressures. These challenges need to be removed intelligently to aspire to a better future in the coming decades.

It is therefore crucial to ensure sustainable economic and social development in the region, as well as to explore cooperation opportunities with the EU and other regions, while staying in



Commentaries

Thinking together for the future of the mediterranean

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line with geopolitical trends. Most notably, continuous development in the four pillars of human, social, economic and political capital and the dynamics and interaction between them need to be ensured while optimizing the use of natural resources. By focusing on and examining the trends, the opportunities and challenges in each of them, MEDPRO-Mediterranean Prospects, a consortium of 17 reputable institutions from both shores of the Mediterranean, led by the Brussels-based Centre for European Policy Studies, built and assessed a number of possible scenarios up to 2030. These scenarios stem from individual developments and dynamic interactions between the political, economic, social, human and resource pillars of wealth creation in the region, as well the potential for more integration or fragmentation with the EU. All these scenarios were assessed within a context of geopolitical uncertainty that renders the right political choices difficult but nevertheless possible to aspire for a better future.

Disclaimer

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