

Tomorrow, the Mediterranean
Scenarios and projections for 2030 : growth, employment, migration, energy, agriculture

Executive summary

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The Mediterranean in 2030: routes to a better future

At the time of the Arabic revolutions and of the crisis of the Euro zone, the Mediterranean is facing great uncertainty regarding its future, on the rhythm of anticipated evolutions, on the role of regional integration and on the political voluntarism to face it. However, a rich web of economic, institutional and human relations is constantly being woven, inviting us to ask ourselves questions about its future.

In front of obvious synergies (demographic, collective preferences, natural resources but also in the production of goods and services) and challenges to which countries cannot respond individually (shortfall of adapted jobs, climate change and preservation of natural resources, food crises, migrations), several scenarios can be drawn up and declined thematically (growth, employment, migration, energy, agriculture) taking the Mediterranean as a field of study. This is exactly what the “Mediterranean 2030” consortium, launched by IPAMED in April 2009, has try to achieve in the publication “Tomorrow, the Mediterranean. Scenarios and projections for 2030”.

The future of the region is facing several threats. A scenario of “crisis in the Mediterranean”, darkened by the 2008 financial crisis, leading to bottom-up convergence and the marginalization of Mediterranean countries weakened by the sovereign debt’s crisis, in the North, and a political transition struck, in the South, or a “Mediterranean divergences” scenario, characterised by a disparate insertion of the countries of the region in the world economy, pulled by emergent countries and producing an accentuation of divergences, are both plausible and unfavourable for integration and regional development.

Yet, another future is possible, the one drawn by the “Mediterranean convergence” scenario. Hinged on pro-active political action shared by all countries, Mediterranean convergence, coupled with a stronger and richer economic growth in terms of employment, can be envisaged. For this to happen, it is necessary to encourage a geographic redistribution of the production, sharing the added value, promoting complementarities, a greater redistribution of wealth and the harmonisation of norms in a regionally integrated system that benefits from the four freedoms implemented by the EU (movement of goods, capital, services and people).

But, the convergence scenario could be driven by an endogenous growth of North Africa and the Middle East and not by a more marked European will. This economic dynamics in the South could take two different forms. It could have a domino effect on Member States’ economies and certainly encourage EU political voluntarism towards the region. But it could also bring about a relative distance between an integrated southern shore on the one side and, on the other, the European Union. This scenario, not very plausible at the end of 2010, has won in probability thanks to the Arab revolutions.

In order for the regional convergence scenario, that IPEMED strongly wishes, to become a reality 9 recommendations for a Mediterranean “ecosystem” have been set out:

1. Invest in human capital by encouraging mobility (authorise temporary migration for services under contract and projects co-funded by the UfM) and qualifications (create a common base, a Euro-Mediterranean network of vocational training courses and establish recognition-accreditation of skills and diplomas; ErasmusMed, etc.).
2. Accelerate the transfer of knowledge, skills and technology by (i) encouraging the emergence of Euro-Mediterranean competitiveness and research clusters in sectors with high growth or rich in employment (information and communication technologies for services, farming and energy efficiency techniques, etc.); (ii) narrowing down location choices to the region: setting up a system of regional preferences, going beyond free trade, and based on social, health and environmental quality criteria would contribute to accelerating the transfer of capital and know-how.
3. Create a common institutional area accompanied by financial transfers, an advanced status including funds inspired by the philosophy of accession funds to the European domestic market (with the progressive establishment of the four freedoms of movement for goods, capital, services and people), and pursue discussions on accession for EU candidate countries.
4. Engage a Mediterranean certification process, initially covering services and agriculture, with a Mediterranean label guaranteeing health quality (establishment of a health agency) and environmental quality for farming, and skills level and service quality for the provision of services.
5. Select UfM cofounded projects based on job creation potential and/or energy restraint.
6. Create a Mediterranean environment fund aimed at strengthening the capacity to adapt to climate change in South and East Mediterranean countries and the Balkans. It will also finance renewable energy transport’s infrastructure and public transport as an alternative to roads, clean development projects that reduce greenhouse gas emissions, and projects for rationalizing water demand and energy efficiency, particularly in the building sector.
7. Set up a Mediterranean investment bank, based on the same principles as the European Investment Bank, and designed to encourage funding for SMEs, which are key to the creation of wealth and jobs, and infrastructures.
8. Enlarge transport networks in the South Mediterranean to facilitate South-South commercial exchanges, with a particular focus on multimodal transport to better optimize logistical costs.
9. Draw up a common food security policy (mutualized insurance for agricultural risk; constitution of security stocks and emergency intervention systems) and a rural development policy (tangible and intangible infrastructures for industries; managerial and technological training courses).