

The EU today: imperfect, in crisis – and indispensable



The European Union receives considerable abuse these days, with member-states and their citizens blaming Brussels for all manner of domestic and international problems.

Greeks are still furious that the EU helped impose draconian austerity measures on them in exchange for the ongoing bailout of their national economy, Hungary rejects the EU's right to set continent-wide immigration quotas, and Britain has just set a date for the beginning of its withdrawal from the bloc altogether.

Some of the criticism – Brussels is out of touch, too many decisions are made by unelected bureaucrats, some regulations needlessly penalize small business, etc. – might well be partly true, although the bloc's involvements in so many aspects of modern life make it an exceedingly convenient scapegoat. Instead of focusing solely on the EU's few and relatively minor failings, though, we would do well to keep the positives very much in mind.

After all, the period since the Treaty of Rome took effect in 1958 has brought levels of peace and prosperity that would have been unrecognizable during any earlier period of European history. Even today, as the EU and its member-states grapple with moribund growth, high unemployment, and resurgent nationalism fueled by the worst global economic crisis since the Great Depression, Brussels remains a very essential participant – and often a prime mover – in worthy and necessary processes across and even beyond the continent,

including the shaping and reinforcement of a modern regional architecture for increased cooperation both within and outside the bloc.

Nowhere is this truer than on the EU's Mediterranean periphery, where its support for member-states and interactions with its neighbors present numerous challenges but also offer multiple opportunities to keep changing the course of history for the better. The Barcelona Declaration of 1995 still resonates today, because although the Union for the Mediterranean it spawned is still evolving, the EU is already providing platforms for bi- and multilateral cooperation, mechanisms for joint action, and resources for implementation. These contributions are – and will remain – of incalculable importance to our shared futures if we are to maximize the positive geopolitical potential of the energy sector, particularly in the Eastern Med.

The Declaration envisaged a new era for 28 EU members and 15 non-member states from the Mediterranean region, a time of partnership built around three “Baskets” – Political and Security, Economic and Financial, and Social, Cultural and Human. The Barcelona Process it touched off carried an ambitious agenda, including greater regional stability; agreeing on shared values as a starting point for cooperation; promoting democracy, the rule of law, good governance and human rights; and expanding mutually beneficial trading relationships. Officially, it also sought to “complement” the influence of the United States in the Mediterranean, although in practical terms the Euro-Med project has often played a balancing role, and/or provided alternative leadership in instances where an American presence might prove too divisive.

These efforts have dramatically improved the interfaces between the EU and its neighbors, and the future promises even more, including a reduction of long-term tensions among neighboring non-EU states and the eventual construction of a more acceptable regional order, one that is safer, sounder,

and more liberal. And without these improved interfaces, the plight of refugees fleeing war-torn Syria would have been even worse: untold thousands more would have drowned at sea, and the migration of survivors across the European mainland would have been even more uncontrolled, uneven, and unfair.

Europe's response to the refugee crisis is very much a work in progress, and much remains to be done. What it has already demonstrated, though, is that even amid heated internal disagreements about how to proceed, the EU's influence has helped to secure the assets required to intensify naval and coast guard patrols in the Med, and to engender relatively effective cooperation between Greece and Turkey. Now is no time to question the value of such achievements. Rather, the situation calls for even more reliance on the EU and the Euro-Med project to get past the zero-sum games of yesterday and start looking to the win-win arrangements of tomorrow.

Nowhere is this truer than in Cyprus, a small country made crucial by its strategic location, its tantalizing natural resources, and its ability to both fuel a renaissance of Europe's economy and demonstrate the power of dialogue and reconciliation.

Despite all this potential, the Cypriot people could definitely need outside assistance to reach their new future, not least because outside interference has done so much to divide them. Recently, the United Nations has resurrected the island's peace process, and close observers express optimism that a deal can be done in the coming months, but two requirements stand out.

One is full development of the region's energy wealth. Ongoing studies indicate that the Eastern Mediterranean seabed contains far more natural gas than previously believed. Both Egypt and Israel, which are already extracting significant amounts of offshore gas, have made massive new discoveries in recent years, and the latest surveys indicate that similar

riches are locked away beneath the Exclusive Economic Zones of several other countries in the region, including Lebanon and Cyprus itself. The Cypriot role could well be decisive for the development of this resource because apart from the potential of its own reserves, the island is perfectly situated – both diplomatically and geographically – to serve as the primary hub for the Eastern Med's emerging gas industry.

Nicosia maintains friendly ties with several regional capitals that are either frequently at odds with one another or have no relations at all, making it an ideal go-between for multilateral coordination and even indirect cooperation. Cyprus's location is also the ideal starting point for a pipeline to mainland Europe that would offer its neighbors the surest, cheapest and quickest access to the world's biggest energy market. For the same reasons, the island offers unmatched convenience as a regional headquarters for companies engaged in everything from exploration and maritime communications to production, marketing, and maintenance.

In addition, in order to reach markets further afield that cannot be reached by pipelines, regional producers will need to sell liquefied natural gas (LNG) for delivery by ship. There is at present little interest, however, in building an LNG plant in countries like Israel or Lebanon, largely due to concerns over cost, the environment, safety and security, and/or political risk. Once again, enter Cyprus with its affordable land prices, EU industrial and environmental standards, and arm's-length distance from the Arab-Israeli conflict.

Conversely, the emergence of a thriving energy sector, fuller resource development, and more dynamic commerce also will be decisive for the successful implementation of a Cypriot reunification agreement. New investment and new jobs will substantially increase economic activity, generating significant revenues that can be brought to bear on challenges like reconstruction, reconciliation, and reintegration. The

promise of such advantages is already providing momentum for the peace process, and that promise will have to be kept if a reunification deal is to succeed.

The other requirement is continuous EU participation to advance political and security environments that are favorable to all stakeholders. The details still have to be hammered out, but it stands to reason that European support will be essential on several fronts, not least the re-establishment of trust between Greek Cypriots and Turkish Cypriots. The new Cyprus will not come into being overnight, so EU resources can help with everything from dispute resolution and inter-communal cooperation to training and capacity-building.

Resolving the Cyprus issue would also help enable a series of rapprochements that would benefit the entire region and all those interested in its stability. The United States, for instance, has long been closely involved with previous efforts to promote stability between Turkey and Cyprus, and a successful outcome would substantially reduce its own security burdens in the Eastern Med. It also would clear the way for Turkey to become a fuller partner in regional affairs, playing the more decisive role indicated by its impressive combination of economic and military power. Among other benefits, a lasting settlement would remove one of the last significant obstacles to having Cyprus join NATO, squaring one part of the circle and strengthening Istanbul's hand in its long-time effort for closer integration with the rest of Europe.

In the final analysis, just as Europe needs a prosperous and united Cyprus to help satisfy its energy needs and improve stability on its southeastern flank, so do all Cypriots need an active EU to help them navigate the heady but challenging course ahead. Neither entity has ever been more relevant to more people in more places, a fact that interested parties can ignore only at their peril.

Roudi Baroudi is CEO of Energy and Environment Holding, an

independent consultancy based on Doha, Qatar.