



 **PROJECTINFO**

Stability and development in the Middle East and North Africa (MENA)

Research and policy advice project of the
**German Institute of Development and
Sustainability (IDOS)**

*formerly German Development Institute /
Deutsches Institut für Entwicklungspolitik (DIE)*



Background

As early as 2009, nationwide protests erupted in Iran against the country's authoritarian regime. Then, in late 2010, a wave of protests broke out in Tunisia that spread to the entire Middle East and North Africa (MENA) region and became known as the "Arab Spring". Protesters demanded "Bread! Freedom! Social justice!" to express their anger over political and socio-economic grievances in their different countries.

Much has changed since then. In Egypt and Tunisia, presidents were forced to step down; democratic elections were held, but new authoritarian rulers established themselves in 2013 (Egypt) and 2021 (Tunisia). In Libya, Syria and Yemen, the protests triggered civil wars, which are still ongoing. In Jordan, Morocco, Algeria and Lebanon, the governments absorbed the pressure from the street through limited reforms. In many countries, however, protests continue to erupt. In Sudan, they even led to the resignation of the president in 2019, but the old military regime returned to power in 2021. While far from settled, global crises increase the risk of further turmoil in the region.

In the MENA region, Europe's involvement in the Ukraine war is viewed ambivalently, partly because Europe has been reluctant to intervene to relieve suffering in the wars in Yemen and Syria. At the same time, the region is also suffering from the long-term consequences of the Covid-19 pandemic and the loss of food supplies from Ukraine, on which it depends more than almost any other region in the world.

What priorities should Germany and Europe have for their cooperation with MENA countries? On the one hand, their goal is to promote human rights, democracy and socio-economic development; on the other hand, there is interest in political stability, reliable energy supplies, export markets in the MENA region, and migration management. Inevitably, conflicts exist between these goals.

In a research and advisory project funded by the Federal Ministry for Economic Cooperation and Development (BMZ), the German Institute of Development and Sustainability (IDOS) is therefore dealing with the following four questions:

A new social contract

The first question is how the MENA countries can achieve both, development and stability. Almost all of them are ruled by authoritarian regimes that offer their citizens protection (from external and internal threats) but no participation (in political decision building) and in some cases less and less provision (social and economic support). As a result, unrest or even civil wars may break out again. The IDOS project is therefore investigating how the MENA countries can further develop their social contracts: Which reforms that improve the political, social, economic and ecological living conditions of the citizens are nevertheless acceptable to those in power? How can the deepening polarisation of societies be stopped? What drivers can trigger changes? Which processes bring about an improvement for all domestic actors and thus bring about development and long-term stability at the same time? And what support can Germany and Europe provide for this goal? IDOS's research focuses on gender-sensitive and inclusive social, employment and economic policies, administration and judiciary reform, water and natural resource governance, as well as the promotion of research, agriculture and small businesses. It also examines how the progressive degradation of the environment and resources in MENA countries affects different social groups, existing conflicts, protest movements and the social contracts, and how this can be dealt with.

Repositioning the MENA countries in the global economy

The second question is on what economic basis the MENA countries can build their future development. How will they generate the revenues that they need to finance their enormous food, machinery, electronics and chemical imports? What niches on world markets can they conquer despite comparatively high labour costs and medium-high product quality? What can they gain from the exploitation of renewable energies? What potential lies in the promotion of small businesses and the use of modern information and communication technologies in production and marketing? How must economic policy and its institutional setting be redesigned?

Peace-building and reconstruction in post-war countries

The third question is how a new beginning can succeed in countries affected by civil wars. The need for new social contracts is even more fundamental here, because the civil wars have damaged not only vertical relations (between state and society) but also horizontal ones (between different regional, confessional, ethnic and socio-economic groups). Reconstruction

without peace-building is not possible in these countries. First, all relevant social groups must enter into dialogue and reach agreements with each other for a new, common future before they can agree on a new, common government. Physical reconstruction can only succeed once the reconstruction of a social contract has begun. Therefore, it is important to know why countries like Yemen, Libya, Syria and Iraq imploded and what role global and regional powers (e.g. Saudi Arabia, Iran, Egypt and Russia) played in this? Conversely, what influence did developments in the MENA region have on global trends (e.g. the engagement of Russia, Iran and Turkey in Syria)? What role can German and European development, foreign and security policies play in the war-affected countries? How can socio-economic and physical reconstruction be promoted? What disruptive factors need to be removed? Which issues must be negotiated first?

Future cooperation with the MENA region

The fourth question is what scope for action conventional bi- and multilateral development cooperation still has in the MENA region. Demands are increasing, while the available funds are not growing to the same extent, especially following the Covid-19 pandemic and the Ukraine war. Reconstruction in Syria and Yemen in particular will be costly. At the same time, Europe's influence may be waning in the face of the growing involvement of other countries (Iran, Saudi Arabia, Qatar, China and Russia). The conflicts between the goals of development, foreign, security, migration and economic policy are becoming more entrenched and difficult to resolve. This makes it all the more urgent to improve coordination between line ministries as well as between the member countries of the European Union and the European Commission, and to find new forms and frameworks of cooperation.

Project objectives

The project provides evidence from rigorous research, policy advice and forums for public discussion. The project team produces academic publications, policy briefs and opinion papers, and presents its findings at conferences and workshops. The project offers policy advice, which is based on their academic research, to decision makers in Germany, Europe and the MENA countries in order to contribute to stabilisation and development in the MENA region. It organises public panel discussions, online seminars, workshops and conferences to discuss controversial questions and policy options with other academics, journalists, practitioners and politicians.



Events - Selected ones since 2018

The Covid-19 Pandemic and International Economic Support for MENA Countries

Virtual panel discussion, in co-operation with Friedrich-Ebert-Foundation, 03 December 2020

Those who do not learn from the past are condemned to repeat it: Europe's role in post-COVID MENA

Virtual panel discussion, in co-operation with Friedrich-Ebert-Foundation, 13 October 2020

A third wave of the Arab Spring? Protest potentials in post-COVID MENA

Virtual panel discussion, in co-operation with Friedrich-Ebert-Foundation, 06 October 2020

Economic reforms as an opportunity: A post-COVID social contract for the region?

Virtual panel discussion, in co-operation with Friedrich-Ebert-Foundation, 29 September 2020

Arsonists as firefighters? Financial crisis in post-COVID MENA and the role of IFIs

Virtual panel discussion, in co-operation with Friedrich-Ebert-Foundation, 22 September 2020

Beyond reconstruction: European cooperation with conflict-affected countries in the Middle East and North Africa

Public panel discussion, Representation of the European Commission, Berlin, 16 September 2019

Community effects of Cash-for-Work programmes in Jordan

Academic workshop, Amman, 25 April 2019

Un nouveau contrat social pour le Maroc: quel rôle pour la coopération allemande?

Policy workshop, Rabat, 22 February 2019

La participation citoyenne au Maroc: Quelles leçons des expériences accomplies pour la participation dans le cadre de la régionalisation avancée?

Academic workshop, Rabat, 21 February 2019

Employment creation through industrial policy in the MENA countries

Academic conference, Bonn, 21-22 September 2018



Special issues - Selected ones since 2018

Framing the emergence of new social contracts in Middle East and North African countries

Markus Loewe (ed.) (2021), *World Development*, special issue. <https://www.sciencedirect.com/journal/world-development/special-issue/10QZ9KFTV3M>



Social protection and social cohesion

Francesco Burchi, Markus Loewe and Daniele Malerba (eds.) (2022), *European Journal of Development Research*, special issue.

<https://www.palgrave.com/gp/journal/41287/volumes-issues/latest-issue>



Social protection in the MENA countries: prospects for a new social contract?

Rana Jawad and Markus Loewe (eds.) (2018), *International Social Security Review*, special issue.

<https://onlinelibrary.wiley.com/toc/1468246x/2018/71/2>





Academic publications - Selected ones since 2018

More than the sum of its parts: donor-sponsored cash-for-work programmes and social cohesion in Jordanian communities hosting Syrian refugees

Zintl, Tina / Markus Loewe (2022), The European Journal of Development Research, first published 13.05.2022

Subsidy reform and the transformation of social contracts: the cases of Egypt, Iran and Morocco

Vidican Auktor, Georgeta / Markus Loewe (2022), Social Sciences 11 (2), article 85, 1-22

The opportunities and challenges of Industry 4.0 for industrial development: a case study of Morocco's automotive and garment sectors

Vidican Auktor, Georgeta (2022), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), Discussion Paper 2/2022

State fragility, social contracts and the role of social protection: perspectives from the Middle East and North Africa (MENA) region

Loewe, Markus / Tina Zintl (2021), Social Sciences 10 (12), 1-23

Do social transfers benefit local economic development? The case of cash-for-work programmes in Jordan

Loewe, Markus / Tina Zintl (2021), Economic Research Forum (ERF) Discussion Papers (1467)

How can water sector cooperation support democratic governance? Insights from Morocco

Houdret, Annabelle (2021) in: Middle East Law and Governance 13, 72-97

Redefining the social contract in the wake of the Arab Spring: the experiences of Egypt, Morocco and Tunisia

El-Haddad, Amirah (2020) in: World Development 127, article 104774

The Informalization of the Egyptian economy (1998-2012): a driver of growing wage inequality?

El-Haddad, Amirah / May Gadallah (2020), Applied Economics, 53(1), 115-144

The rural social contract in Morocco and Algeria: reshaping through economic liberalisation and new rules and practices

Houdret, Annabelle / Hichem Amichi (2020) in: The Journal of North African Studies, first published 30.11.2020

Picking winners: identifying leading sectors for Egypt and Tunisia using the product space methodology

El-Haddad, Amirah (2020) in: Review of Middle East Economics and Finance 16 (1), 1-60

Reconstituting social contracts in conflict-affected MENA countries: Whither Iraq and Libya?

Furness, Mark / Bernhard Trautner (2020) in: World Development 135, 1-12, article 105085

Beyond the river: elite perceptions and regional cooperation in the Eastern Nile Basin

Tawfik, Rawia (2019) in: Water Alternatives 12 (2), 655-675

'Donorship' and strategic policymaking: Germany's MENA aid programme since the Arab uprisings

Furness, Mark (2019) in: Development Policy Review (Online)

Social protection schemes in the Middle East and North Africa: not fair, not efficient, not effective

Loewe, Markus (2019) in: Rana Jawad / Nicola Jones / Mahmood Messkoub (eds.), Social policy in the Middle East and North Africa: the new social protection paradigm and universal coverage, Cheltenham: Elgar, 35-60

Decentralisation in Morocco: a solution to the "Arab Spring"?

Houdret, Annabelle / Astrid Harnisch (2018) in: Journal of North African Studies 24 (6), 935-960

Renewable energy and economic growth in the MENA region: empirical evidence and policy implications

Philipp Dees und Georgeta Vidican Auktor (2018), Middle East Development Journal 10 (2)



Policy briefs and opinion papers - Selected ones since 2018

The Cost of making Egypt an intimate Partner on Security Affairs
El-Haddad, Amirah / Jannis Grimm (2022), Bonn: Deutsches Institut für
Entwicklungspolitik (DIE), The Current Column, 14 March 2022.

**Why the next German government needs a long-term approach to
Tunisia and Morocco**
Furness, Mark / Annabelle Houdret (2021), Bonn: Deutsches Institut für
Entwicklungspolitik (DIE), The Current Column, 22 November 2021

**Focussing European cooperation with the Middle East and North
Africa on social contracts**
Furness, Mark / Markus Loewe (2021), Bonn: Deutsches Institut für
Entwicklungspolitik (DIE), Briefing Paper 18/2021

**Germany and Europe need to provide stronger support to COVID-19
recovery in the MENA region**
Claes, Thomas / Mark Furness (2021), Bonn: Deutsches Institut für
Entwicklungspolitik (DIE), The Current Column, 08 March 2021

Reconstruction in Assad's Syria despite an exclusive social contract?
Zintl, Tina / Yannick Sudermann (2021), Bonn: Deutsches Institut für
Entwicklungspolitik (DIE), The Current Column, 15 March 2021

Europe Can't, Shouldn't Try to Control What Happens in Lebanon: Scholar
Furness, Mark (2001), in: International Quran News Agency.
<https://iqna.ir/en/news/3474546/europe-can%E2%80%99t-shouldn%E2%80%99t-try-to-control-what-happens-in-lebanon-scholar>

**Stability and mercenaries... All eyes are on "Berlin 2" to push Libya
forward**
Furness, Mark (2021) in: Aloreya. <https://t1p.de/8d6ls>

Tunisia has a new government. How will challenges be addressed?
Houdret, Annabelle (2021) in: Alissa Pavia, Karim Mezran, and Yaseen
Rashed. Blog of The Atlantic Council.
<https://www.atlanticcouncil.org/blogs/menasource/tunisia-has-a-new-government-how-will-challenges-be-addressed>

Kuwaiti small businesses after the pandemic: time for a new social contract
El-Haddad, Amirah (2021) in: The Forum, Cairo: Economic Research Forum.
<https://theforum.erf.org.eg/2021/05/31/kuwaiti-small-businesses-pandemic-time-new-social-contract/>

Development cooperation with conflict-affected MENA countries: refocussing on the social contract

Furness, Mark / Annabelle Houdret (2020), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), Briefing Paper 7/2020

End of the Lebanese “National Pact”? How the international community can support Lebanon’s reset

Trautner, Bernhard / Mark Furness, Mark (2020), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), The Current Column, 17 August 2020

No humanity on the EU’s external border? Europe can and must prevent a humanitarian disaster!

Houdret, Annabelle / Mark Furness (2020), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), The Current Column, 09 March 2020

Guns and butter don’t mix: European arms sales risk undermining development in North Africa

Furness, Mark / Annabelle Houdret (2019), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), The Current Column, 08 April 2019

The minimum wage curse: Why El-Sisi’s decision to raise Egypt’s minimum wage is not such a good one!

El-Haddad, Amirah (2019), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), The Current Column, 14 April 2019

How to strengthen the EU as a force for global peace

Furness, Mark / Julian Bergmann, Julian (2019), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), The Current Column, 28 October 2019

Germany and Europe cannot give up on North Africa

Houdret, Annabelle / Mark Furness (2018), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), The Current Column, 26 February 2018

When will we see the emancipation of Arab trade unions?

Zintl, Tina (2018), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), The Current Column, 30 April 2018

Access to environmental information: a driver of accountable governance in Morocco and Tunisia?

Houdret, Annabelle / Irene Pasqua / Saâd Filali Meknassi (2018), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), Briefing Paper 10/2018

A European peace facility could make a pragmatic contribution to peacebuilding around the world

Bergmann, Julian / Mark Furness (2018), Bonn: Deutsches Institut für Entwicklungspolitik (DIE), Briefing Paper 6/2018



The Team - not including associate and guest researchers



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IDOS

The German Institute of Development and Sustainability (IDOS) (formerly German Development Institute / Deutsches Institut für Entwicklungspolitik, DIE) is located in the UN City of Bonn and is one of the world's leading research institutions and think tanks for global sustainable development. Our work is based on the interplay between research, policy advice and training. The IDOS is building bridges between theory and practice.

The research is theory-based, empirically driven and application-oriented. It provides the basis for the activities in policy advice of the Institute. We develop policy-relevant concepts, advises ministries, governments and international organisations, and refers to current policy issues. The training programmes of the Institute for university graduates and young professionals are integrated into the research and advisory process.



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