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Edited by
Joan Costa-Font



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Preface

If Europe is something more than a cultural construction to respond to the challenges of globalization, and hence historical roots need to be found to justify Europe existence, then the Mediterranean is an essential part of the idea of Europe. This explains why the current Union for the Mediterranean (UfM) involves 43 members, 27 of which are EU Member States (the remaining 16 being Albania, Algeria, Bosnia and Herzegovina, Croatia, Egypt, Israel, Jordan, Lebanon, Mauritania, Monaco, Montenegro, Morocco, the Palestinian Authority, Syria, Tunisia, and Turkey). The Euro-Mediterranean process has become the natural extension of European influence in the area as a whole rather than through its member states. Institutionally, it provides a long list of opportunities as well as challenges. More specifically, it is a process that should not slow down existing European integration but instead it should encourage the diffusion of European political and social reforms that typically come along with new forms of economic organization and trade. With this in mind, this book is, to the best of my knowledge, the first attempt to bridge the existing fragmentation in the study of the Mediterranean and bring together an integrated picture of the economic issues that affect the labour markets, trade, financial and social protection of the Mediterranean economies.

The book contains an analysis of the effects of the set-up of the Euro-Mediterranean process. With the creation of the Union for the Mediterranean in 2008 and the new priority given to the Mediterranean within the context of European integration, the study of Mediterranean economies has become essential material for students of European economics, political economy and public policy. This book contains chapters from top scholars in the area – generally experts that do an excellent job demonstrating how the economy of the Mediterranean is an important area of study. Indeed, the story of the Mediterranean stands as one where issues related to development and aid share equal importance with the challenges of reforming labour markets and promoting human capital investment in the regions. Similarly, traditional questions on enhancing economic and capital exchange are examined alongside challenging ones such as the Europeanization and institutional reform in the region, including democracy and the absolute imperative of the rule of law.

The book has been organized into four main blocks covering the institutionalization of the Mediterranean as an area of economic activity, the process of economic liberalization and macroeconomic performance, the process of privatization and labour market reform and its impact on productivity, and, finally, the effects on social welfare and public policies concerning the environment. The four blocks attempt to provide an overview of the economic performance of the Mediterranean and its institutional reforms at both macro- and micro-level and, ultimately, how those reforms translate in terms of economic and social progress.

This book is the first and possibly the most updated piece on the economics and political economy of the Mediterranean. It is an ambitious manuscript that aims at first providing a wide overview of the institution-building and regionalization process that it is taking place in the Mediterranean. It contains a broad discussion of the successes and limitation in building a Mediterranean space in the midst of the construction of Europe. Second, the book includes an economic and policy analysis of the process of economic liberalization and its effects in macroeconomic performance. Specifically, the book includes chapters addressing questions on trade liberalization, the effects of the global financial crises in the Euro-Mediterranean area, as well as how liberalization has impacted economic growth. Third, the book devotes a section that addresses problems concerning microeconomic reforms, and more specifically privatization and labour market stability, alongside productive efficiency in the area. Finally, three chapters of the book address the question of how reforms in the Mediterranean have affected welfare and, more specifically, poverty, migration and the environment.

I can only hope that this book will answer some of the questions that the Euro-Mediterranean process brings to the fore, and that the reading of these chapters appeals to you as much as it has appealed to me.

Joan Costa-Font, London, September 2011

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