

CAN TRADE SUPPORT PEACE IN WAR-TORN MENA COUNTRIES?

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WHY IS IT DIFFICULT?

- Long cycle of conflicts
- High costs in human losses, infrastructure and economic capacities; displacement of people, lasting impact of future generations.
- War economies actors have an interest in prolonging conflicts and avoiding reforms
- Root causes of conflicts are difficult to address
- Need for economic diversification, more private sector participation, market competition and fighting cronyism.
- MENA least integrated region in the world

WHAT IS NEEDED TO EXIT THE CONFLICT TRAP?

- Basic international consensus on stabilisation and reconstruction
- Multi-layered, context-specific strategies and policies: a long term vision?
- Attention to political economic dimension: economic power structures which benefit from status quo
- Macroeconomic stabilisation, restart growth and kick-start reconstruction
- Promote job creation (particularly in employment intensive sectors)
- Invest in education and vocational training
- Work on local, micro & SME development dimensions to strengthen social resilience and fight exclusion and inequalities

TRADE AS A VEHICLE FOR PEACE

WTO accession as an opportunity: why?

- Pursue wide ranging sectoral transformative policies
- Foster institution modernisation and good governance
- Gain market access and upgrade integration in global value chain
- Trade and connectivity to unleash untapped economic potential
- International community to increase technical assistance and support to economic transition of conflict countries