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The EU and conflict prevention in Jordan

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Civil Society Dialogue Network

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Introduction

‘The EU supports Jordan's moderate and stabilizing role in the region, paving the way for further political and economic integration and liberalization.’² So opens the European External Action Service (EEAS) description of EU-Jordan relations. This both reveals how Jordan is seen by its partners and how the Jordanian government promotes itself: as the stable partner in a volatile region. This role as a ‘Western’ ally, whether as part of the Middle East Peace Process (MEPP), as a partner against Da’esh and in counter-terrorism, as a haven for refugees (first from Palestine, then Iraq and now Syria), or through the UN and regional grouping such as the Union for the Mediterranean (UfM) – overshadows consideration of Jordan-as-Jordan, and the little commentary there is on EU-Jordan relations focuses on its role addressing regional challenges.

Jordan presents a good example of an important but not urgent situation that ‘lies over the horizon’, meaning incremental efforts to prevent conflict (rather than responding to crises when they become visible) yield greater returns over time. But as these problems are not urgent, they require considerable political leadership and capital because success is less visible and may not generate favourable newspaper headlines.³ At the time of writing, Jordan appears to be one such case, but recent developments as well as long-term drivers of conflict (discussed in this paper), the volatility of the region and the unpredictability of the Trump administration may well shorten this horizon.

This paper is intended to stimulate discussion and reflection on what lessons for EU contributions to conflict prevention can be drawn from the case of Jordan. It identifies four key drivers of conflict in Jordan:

- Rapidly changing demography, particularly owing to the resettlement of refugees;
- Diplomatic relations and the geopolitics of the region;
- Domestic political freedoms; and
- Domestic fiscal management and economic policy.

It considers to what extent these and other endogenous and exogenous conflict drivers have been addressed in EU policies towards Jordan to date. It also reflects on ways in which the EU may contribute to preventing violent conflict in Jordan in the near future, especially given the likely volatility of the region in the coming years.

² *Jordan and the EU: Political relations*, EEAS website.

Available at https://eeas.europa.eu/delegations/jordan/1357/jordan-and-eu_en Accessed 18 March 2017

³ See L. Davis, N. Habbida and A. Penfrat (2017) *The EU's Capabilities for Conflict Prevention Preventing and Responding to Conflict: Developing EU Civilian Capabilities for Sustainable Peace*

Available at https://eucivcap.files.wordpress.com/2017/02/eus_capabilities_conflict_prevention.pdf Accessed 18 March 2017

1. The Hashemite Kingdom of Jordan: a brief overview

The conditions that once enabled the establishment of an independent Jordan in 1946 after the British Mandate ended now serve as precursors to its destabilization. Chiefly, its founding myth that millions displaced to Jordan by war and occupation would return to a future Palestinian state of their own, and that Jordan would play a defining role in that outcome, is fast disappearing. Despite the volatility of the region, many of the destabilizing threats Jordan now faces are endogenous, systemic flaws that emanate from that myth.

As the pattern of the ‘Arab Spring’ has shown, heavily centralized states that restrict dissent become brittle and more susceptible to violent conflict, as the lack of coherent, civil opposition advocating for political change render powerbrokers simultaneously inflexible and fragile. The Jordanian monarchy has continually sought consolidation of power at the expense of greater individual freedoms, political participation and a more equitable distribution of resources. In such a system, every exogenous risk introduces an additional stress to decision-makers and key security institutions. As the state has steadily hollowed out civic institutions and closed spaces for dissent since 1970, it now finds itself in a cul-de-sac where all choices, debates and controversies are the preserve of the security forces and the monarchy, and this leaves few avenues for Jordanians to demand change or accountability.

Public sector employment, especially recruitment in the security sector, has been used since Jordan’s creation as a system of patronage to manage tribal relations and to confer certain political, social and economic privileges to ‘native Jordanians’ (‘East Bankers’ or non-Palestinians). The result is bloated institutions that often lack the technical capacity to design and implement the necessary reforms, but more importantly have strong vested interests in blocking any changes that would either reduce the numbers of public employees or introduce accountability for their performance.

Consequently, the Jordanian state is sleepwalking towards a volatile future where it needs to make dramatic changes now to maintain cohesion at the center but finds itself less able to adjust or reform peacefully. Key political actors understand this, but lack both room for manoeuvre and technically competent institutions to support their reform agenda. Political outcomes are not predestined, but trends in Jordan over the last decade are discouraging despite the success Jordan has had navigating vast and complex crises to its benefit. This paper identifies four drivers of conflict that most states contend with at different times, but for Jordan these are accelerating simultaneously. The evolution of these drivers is examined in further detail in two five-year windows, from 2006 to 2011 and from 2011 until today, with the Arab Spring serving as a well-timed intermission.

2006-2011: Jordan Ascendant

Demography

The Iraq war introduced nearly a million new refugees into Jordan. Unlike many Palestinians displaced to Jordan in earlier wars, they were wealthier and consequently less burdensome to the state. The violence during the five long years of the second intifada did not upend relations between the Jordanian government and its Palestinian majority. But by 2006, the Oslo Accords were already ten years old and there was still no prospect of a final status agreement to establish a Palestinian state.

Diplomatic relations

For a state like Jordan, partly created as a holding pen for neighborly disputes, maintaining sound relationships with regional and international heavyweights carries an outsized prominence across state policy. With the Oslo Accords already obsolete, the League of Arab States (LAS) reasserted the need for a final settlement to create an independent Palestine but only re-endorsed the Arab Peace Initiative in 2007, itself already five years old. The second intifada also passed without destroying Israeli-Jordanian security cooperation, but the upheaval of another war on its northern border brought a major al-Qaeda attack to Amman in 2005. The resettlement of over a million Iraqis, many of them wealthy, and the inflow of foreign aid allowed Jordan the brief economic bubble of a quasi-war economy that would exacerbate other problems (further discussed below).

Political freedoms

King Abdullah II committed to the promise of cosmetic change in the face of the Bush-era persistence to democratize the Middle East by any means necessary. The spectre of violent instability in Iraq and Palestine served as a convenient pretext to cancel elections in 2003 and enact harsher penalties for dissent and free expression. Nevertheless, in 2005, a group of Jordanian politicians and business representatives launched an ambitious program of national reforms for Jordan, in the hope that the still-new King Abdullah would undertake a technocratic, gradualist project of political and economic liberalization and that the United States (US) would support them. Despite the zeal and dedication of reformists, there was no meaningful expansion of political participation or sustained implementation in this period. The king used a classic tactic to deflect dissent, changing prime ministers three times between 2006-2011, with little tangible difference in policy.

Fiscal management and economic policy

The National Agenda aimed to address major structural and technical problems across eight major pillars (education, infrastructure, unemployment, social security, budgeting, the judiciary, foreign and domestic investment, and political participation).⁴ But the effect of structural reforms promised to the International Monetary Fund (IMF) in the previous decade had already worn off even as GDP (Gross Domestic Product) rose (owing to factors mentioned earlier), and state spending and public sector employment continued to rise through 2011. Badly needed reforms to labour policy and education made little headway because they demanded more equitable sharing of resources and patronage. Jordan was partly shielded from the rise in global energy prices in this period, a critical issue for a country that imports virtually all its energy and one that shortly became the source of major fiscal stress.

2011-2016: Jordan Sinking

Demography

The effect of the ‘Arab Spring’ on Jordan is starkest in the headcount. With migration from Iraq and Syria as well as natural growth, Jordan’s population has outstripped most projections for growth in 2000. The population roughly doubled over the last decade, introducing new strains on the youth bulge, unemployment, services and laying the groundwork for more serious concerns about citizenship, inclusion and participation down the line. The youth bulge poses a special concern when the citizenry is informed, connected and unemployed,

⁴ “2006-2015 National Agenda”, National Agenda Steering Committee, Government of Jordan, originally published October 2005, <http://inform.gov.jo/en-us/By-Date/Report-Details/ArticleId/5/2006-2015-National-Agenda> Accessed 22 March 2017

and even more serious as they are struggling to redefine attitudes about the roles of men and women in society and their own roles as citizens. The Arab Spring is not so much a political process as it is a cultural shift provoking harder questions of governments and demonstrating to citizens that dissent is possible. Consequently, the drivers that prompted the Arab Spring are still active and will likely feed ever more serious conflicts the longer they go unaddressed.

Diplomatic relations

Jordan's lynchpin role is so significant that regional and global actors have ensured it does not yield to the same drivers that caused regime change or state collapse in other Arab states. Western donors, notably the US and EU, have provided financial support in somewhat contradictory directions, with the former increasing funds to security and law enforcement and the latter directing its modest aid to the important but so far apparently fruitless pursuits of promoting electoral reform, business development and civil society growth. They were both outspent by the Gulf Cooperation Council (GCC), which had and continues to have a strategic interest in ensuring no monarchy in the Middle East succumbs to revolution or even evolution.⁵ The Kerry Initiative was bookended by Gaza Wars of 2012 and 2014, and the prospect of a Palestinian state had never been bleaker by the end of 2016. The election of Donald Trump, whose administration is openly supportive of the far-right settler agenda, is expected to break with traditional US policy in the region and is regarded with deep unease.

Political freedom

Surprisingly, Jordan's first protests of the Arab Spring in 2011 did not begin among Palestinians agitating for statehood. The loose movement of mostly young Arabs from across the tribal and ideological spectrum sustained more than a year of regular protests, but none of these groups could later muster opposition to a deeply unpopular energy policy in 2013.⁶ Jordan had parliamentary elections in 2013 and 2016, between which time it had the longest running cabinet in its history, headed by Prime Minister Abdullah Ensour. King Abdullah promised to enact a limited set of reforms in 2012, none of which are meaningfully pursued. The 2016 elections necessitated an extraordinary session of parliament, as the election date was not organized before the end of their term, and in the end only 31% of eligible voters went to the polls.⁷ The country's Islamist movements have a progressively poorer showing, but this should not be taken to mean they are losing popularity. Rather it indicates that there are so few credible political actors that parties and voters have lost faith in the electoral process, itself a dangerous shift in public attitudes.

Fiscal management and economic policy

Jordan's debt-to-GDP levels roughly doubled in this five-year period, largely because it could no longer import Egyptian gas at below-market prices owing to the bombing of the Sinai pipeline in July 2011.⁸ The scramble to find a cheaper energy source after first negotiating expensive short-term contracts for gas in 2011 was partly resolved through an import

⁵ Suleiman Khalidi, "Jordan taps \$5 billion Gulf fund to ease economic woes", Al Arabiya, 27 February 2013, <https://english.alarabiya.net/articles/2013/02/27/268715.html> Accessed 21 March 2017.

⁶ Osama al Sharif, "Is Jordan's 'Arab Spring' Over?" *Al-Monitor*, 15 September 2013, <http://www.al-monitor.com/pulse/originals/2013/09/jordan-arab-spring-over.html> Accessed 21 March 2017.

⁷ International Foundation for Electoral Systems (IFES) Election Guide, "Jordan Parliament 2016", Available at <http://www.electionguide.org/elections/id/2965/> Accessed 22 March 2017

⁸ For an extensive analysis of Jordan's fiscal, labor, education and aid policies, as well as a discussion of its energy crisis, see Kirk Sowell, *Jordan's Reform Imperative*, published for malna.aramram.com, November 2016, Available at <https://drive.google.com/file/d/0B5yA8543nTSSRW41S3NCUHI3bFk/view> Accessed 22 March 2017.

agreement with Israel in late 2016. The deal brought Jordanians back out to the street protesting against “gas from the occupying enemy”, but again the outrage did not consolidate into any sustained opposition. Unemployment continued to rise and the public sector remains heavily overstaffed despite an effort to freeze hiring during Ensour’s term. Jordan still has one of the lowest rates of female labour participation in the world, despite the high proportion of well-educated women and girls.⁹ Entitlement spending doubled as tax revenue continued to decline; alongside security costs and servicing the debt, these represent over half of government spending. Business, investment and tax policies were and are contradictory and ineffective, hampering growth and enterprise. There are broad concerns that incoming support and aid to the Jordanian government will simply fund another cycle of public sector expansion as happened in the 1980s and 2000s.

2. Conflict prevention in EU-Jordan relations to 2016

This section gives a general overview of how the EU has engaged with the conflict drivers presented above. The EU has a delegation in Amman and has had a Regional Crisis Response Planning Officer (RCRPO) whose remit includes Jordan, although this system is currently being revised and an equivalent function is expected to be filled soon, based in the regional hub in Beirut. Jordan is also part of a wide range of regional and thematic policies.

The opening citation of this paper – ‘The EU supports Jordan's moderate and stabilizing role in the region, paving the way for further political and economic integration and liberalization’¹⁰ – demonstrates how the EU sees Jordan primarily in its regional context, as a model for further political and economic integration and liberalization in the region, and in Jordan itself. The EU and Jordan came to an Association Agreement in the late 1990s, which entered into force in 2002; in 2004 Jordan became a partner in the European Neighbourhood Policy (ENP), with prospects of stronger political and cultural ties and shared responsibility in ‘conflict prevention and resolution’.¹¹ The first ENP Action Plan (2005) was replaced in 2010 with a new EU-Jordan Action Plan, which gave Jordan ‘advanced status’ partnership – the first in the Mediterranean.

The ENP Action Plan (2010) set out eleven priority areas. The first five addressed improving democracy and human rights, including through greater independence and strengthening of the judiciary, freedom of expression and media, association and assembly, and promoting equal ‘treatment’ of women and protection of children. The sixth priority was to reinforce EU-Jordan political dialogue and cooperation on foreign policy and security including the MEPP. The remaining five priorities covered improving economic and trade relations, addressing climate change challenges and cooperation in science and technology.¹² The body of the Action Plan sequences the focus of the political dialogue on security and foreign policy, particularly Common Foreign and Security Policy (CFSP) and Common Security and

⁹ Ragui Assad et al, *Gender and the Jordanian Labor Market*, Economic Research Forum, Working Paper No. 701, July 2012, <https://erf.org.eg/wp-content/uploads/2016/04/701.pdf>. Accessed 22 March 2017.

¹⁰ *Jordan and the EU: Political relations*, EEAS website. Available at https://eeas.europa.eu/delegations/jordan/1357/jordan-and-eu_en Accessed 18 March 2017

¹¹ *ibid.*

¹² EU-Jordan ENP Action Plan (undated)

Available at

http://eeas.europa.eu/archives/delegations/jordan/documents/eu_jordan/jordan_enp_ap_final_en.pdf
Accessed 20 March 2017, p.2

Defence Policy (CSDP). Conflict prevention and crisis management are clearly framed within the context of CFSP and multilateral foreign policy, and explicitly not internal Jordanian dynamics.

The EU and the region

The EU has had a Special Representative (EUSR) for the MEPP – a position currently held by Fernando Gentilini – since 1996, although the role of this function has been largely overshadowed in recent years by Tony Blair, the Special Representative of the Quartet (the US, EU, Russia and the United Nations (UN)) from 2007 to 2015. The MEPP influences how Jordan is perceived – as a partner, albeit a relatively powerless one, to that process. It also shapes the EU's role in the region as the geopolitical importance of the MEPP to EU Member States (MS), the US and regional powers, and the hard security focus of many of these actors in the region, means that the EU as the EU has had to date little influence, visibility or room for manoeuvre. This may however change with Brexit, as the UK has positioned itself more closely to the US, and to Israel, than other EU MS have. Once the UK's influence over EU foreign policy is lost, the EU as the EU may be able to develop a clearer political position on the MEPP and a more active role for itself.

The remit of the EUSR for the Southern Mediterranean region (2011-2014) also covered Jordan. EUSR Bernardino Leon participated in the EU-Jordan Task Force, a new form of EU diplomacy in the region. The EU-Jordan Task Force met in 2012, co-chaired by the then EU High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission (HR/VP), Catherine Ashton, and the Jordanian Prime Minister, Awn Khasawneh. The aim of the Task Force was to support ongoing reforms, particularly in relation to democratic rights, social justice and economic opportunity.

The UfM is an important part of the European Neighbourhood Instrument (ENI) Regional South Strategy Paper and therefore for EU-Jordan relations, and aims to promote economic cooperation in the region. The 2012 action plan also includes support to crisis response (with the focus on resolving protracted conflicts such as Israel/Palestine, Western Sahara, Syria and security risks in the Sahel, rather than preventing over the horizon conflicts), enhancing human rights, support to election observation and women's empowerment.¹³

Political freedoms

Most of the internal dynamics identified in this paper relating to political freedoms are covered in the second section 'Democracy, the rule of law and good governance' and the third, 'Human rights and fundamental freedoms.' The emphasis on developing the economy also reflects concern about the state of the Jordanian economy even if there are no direct references to the challenges of poor management and policy-making. The exclusion of women from the economy is addressed through the commitments to improving gender equality in the second chapter, 'Economic and Social Dimension', but other aspects of identity-based economic exclusion (such as the privileged position of East Bankers) are not addressed.

¹³ EEAS and DEVCO *Programming of the European Neighbourhood Instrument (ENI) - 2014-2020 Regional South Strategy Paper (2014-2020) and Multiannual Indicative Programme (2014-2017)* Available at http://eeas.europa.eu/archives/docs/enp/pdf/financing-the-enp/regional_south_strategy_paper_2014_2020_and_multiannual_indicative_programme_2014_2017_en.pdf Accessed 21 March 2017

The most recent publicly-available ENP Progress Report, for 2014, notes that despite Jordan's welcome and 'important role in addressing extremism' – particularly Da'esh – it 'could further promote a balance between preserving national security and facilitating progress on freedoms and social and other rights.' The Report reflects perhaps the different, and possibly divergent, aims of the EU in its relations with Jordan, as this phrase is followed directly by a paragraph on the EU-Jordan security dialogue on counter-terrorism, then 'taking this background into account, Jordan continued to make progress on deep and sustainable democracy.'¹⁴ It also notes improvements to the electoral process, anti-corruption and some reduction in public expenditure. 2014, was, however, a 'year of mixed results'¹⁵ with no improvement on freedoms for the media, government/civil society dialogue, on women's rights and an end to the moratorium on the death penalty.

The Report concludes that Jordan should focus on key areas of human rights (ending the death penalty, eradicating torture, promoting women's rights), improving the judiciary, the political electoral system and the involvement of citizens in political processes, and 'ensuring balance between legitimate concerns of national security and each individual's right to peaceful expression of opinion by refraining from referring journalists and citizens to the State Security Court on terrorism charges'.¹⁶

The EU Election Observation Mission (EU EOM) to the Parliamentary elections in Jordan of 20 September 2016, noted however, that 'room for improvement of the legal framework remains' particularly in relation to equality and universality of the vote including the right to stand as a candidate.¹⁷ It also noted that women's political participation was 'historically low' due to the lack of express guarantee against discrimination in the Constitution,¹⁸ and that 'large urban areas were underrepresented and sparsely populated or rural ones were considerably overrepresented.'¹⁹ Although the EOM does not explicitly say so, this reflects the allocation of representation in favour of tribal areas to the detriment of urban centres, where the majority of Palestinian-Jordanians live.

The report does not address a larger, and arguably more important point, however, the credibility and legitimacy of the parliament (and elections) in the eyes of citizens. Political parties are weak and focussed on their relationship with the Royal Court rather than their constituencies, constituencies that are still seen in largely tribal terms. Parliament has little power, and even if loyalist political parties are now becoming more reform-minded, parliament does not have the constitutional powers to initiate reform. Parliament could neither deliver reform nor diffuse popular discontent, even if representatives were elected in free and fair elections in which all votes were equal, and on the basis of manifestos rather than patronage.

¹⁴ European Commission and High Representative of the European Union for Foreign Affairs and Security Policy *Joint Staff Working Document: Implementation of the European Neighbourhood Policy in Jordan Progress in 2014 and recommendations for actions* Brussels, 25.3.2015 SWD(2015) 67 final Available at http://eeas.europa.eu/archives/docs/enp/pdf/2015/jordan-enp-report-2015_en.pdf Accessed 20 March 2017

¹⁵ *ibid* p. 3

¹⁶ *ibid* p.3-4

¹⁷ European Union Election Observation Mission (EU EOM) *The Hashemite Kingdom of Jordan Parliamentary Election 20 September 2016 Final Report* Available at https://eeas.europa.eu/sites/eeas/files/eu_eom_jordan_2016_final_report_eng.pdf Accessed 20 March 2017 p. 4

¹⁸ EU EOM *ibid* p. 6

¹⁹ EU EOM *ibid* p. 4

Beyond the ENI, other EU instruments have supported projects aimed at addressing the conflict drivers discussed in this paper. The Instrument for Stability (IfS), for example, has funded projects addressing tensions (read: tribal tensions) in universities as well as projects to develop the conflict sensitivity skills of organisations working with Syrian refugees. The most recent available evaluation of projects funded by the IfS found that ‘[I]n some cases the IfS Crisis Preparedness component was a unique funding opportunity, for example in Jordan where no M[ember] S[tate] made conflict prevention funding available.’²⁰ The emphasis of the Instrument contributing to Stability and Peace (IcSP) appears to shift, however. In the most recent publicly available report on the IcSP, support to projects in Jordan are for a €10m project to support a multi-sectoral plan to counter violent extremism (CVE) developed by the Jordanian authorities. Although the plan supports ‘local grassroots level interventions’ it is not clear whether these are implemented by the authorities or by civil society organisations.²¹

Demographic growth

When it comes to the issues of rapidly changing demography, the arrival of Syrian refugees brought with it a combination of humanitarian aid (as had the Iraqi refugees earlier) and some political measures, aimed to curb irregular migration. The EU-Jordan Mobility Partnership of 2014, the first Mobility Partnership in the Middle East, is intended to prevent human trafficking and smuggling migrants. The EU Commissioner for Trade, Cecilia Malmström, commented that “The Partnership will also support Jordan's remarkable efforts in providing stability and refuge in the region.”²² The EU, along with other Western donors, pays Jordan to keep refugees in the region and out of Europe. Development aid has addressed infrastructure demands such as water (in connection to Iraqi refugees) and solid waste management (in relation to Syrian refugees²³). Projects have also attempted to create jobs for refugees and Jordanians. Refugees are an important bargaining chip, and one that has not only attracted large amounts of aid but has also allowed promised political reforms to drop by the wayside.

The 2016 Syria Humanitarian Response Plan (HRP) aimed to meet humanitarian needs, enhance protection of Syrians and support the resilience of affected communities. The EU and its MS promised 76% of the pledge made at the London conference. The Madad Fund is the EU Regional Trust Fund in response to the Syrian Crisis, from which €118m (of €767m) is earmarked for Jordan. The EU and its MS account for over 70% of contributions to the Jordan Response Plan, prepared by the Government of Jordan. The major results the EU cites in relation to supporting the resilience of public institutions, Jordanians and Syrian refugees include a range of infrastructure projects and simplification of rules of origin to boost trade

²⁰ European Commission *Stability Instruments Operations and Foreign Policy Regulatory Instruments Request for Service N° 2013/326853/1 "Evaluation of the Instrument for Stability Crisis Preparedness Component (2007-2013)"* Final Report June 2014

Available at http://ec.europa.eu/dgs/fpi/documents/pbp_evaluation_2014_report_en.pdf p.7 Accessed 21 March 2017. There is no equivalent evaluation of the IcSP publicly available.

²¹ European Commission *2015 Annual Activity Report FPI [Service for Foreign Policy Instruments – FPI]* Available at http://ec.europa.eu/dgs/fpi/documents/key-documents/2015_aar_and_annexes_en.pdf Accessed 21 March 2017 p. 20

²² EEAS *EU-Jordan: a new partnership to better manage mobility and migration* 9 October 2014 http://europa.eu/rapid/press-release_IP-14-1109_en.htm Accessed 20 March 2017

²³ European Commission *Commission Implementing Decision of 17.10.2016 on the Annual Action Programme 2016 (part 2) and 2017 (part 1) in favour of the Hashemite Kingdom of Jordan to be financed from the general budget of the European Union* Available at https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/aap2016_part_2_and_aap_2017_part_1_jordan.pdf Accessed 20 March 2017

from Jordan to the EU.²⁴ This latter project highlights a problem examined in more depth below: this deal was offered in 2016 as part of a package through which Jordan would host refugees that might otherwise attempt to migrate to Europe, and provide jobs for Jordanians and Syrians – and to be rolled out further once 200,000 jobs for Syrians were created. But it hit a major obstacle when the conference to explain the deal and to get Jordanian and European businesses interested had to be postponed, reportedly because there was not enough interest from the European private sector.²⁵

Fiscal management and economic policy

A major component of the ENI is attempting to boost regional trade and small and medium enterprises while addressing poverty and promoting social inclusion. As one example, Jordan will continue to benefit significantly from initiatives such as the Cross Border Cooperation Mediterranean Sea Basin, which has a budget of €234.5m. Between 2007 and 2013, the EU allocated €488m for political and socio-economic reforms, followed by an additional €91m for 2012-2013 through SPRING (Support for Partnership, Reform and Inclusive Growth). The allocations foreseen for 2014-2017 under ENI are put at €382m, to focus on the rule of law for enhanced accountability and equity in service delivery; employment and private sector development; and renewable energy and energy efficiency.²⁶ Since becoming eligible to receive investment from the European Bank for Reconstruction and Development (EBRD) in 2012, after the Bank relaxed the democracy condition of its programming criteria, Jordan has received cumulative investment of €894m from the EBRD, 87% of which has gone to the private sector.²⁷

Despite Jordan's precarious finances, multilateral donors have responded with further grants and financing to alleviate the burden of the Syrian refugee crisis. In November 2016, the Council of the EU and the European Parliament agreed a package of €200m macro-financial assistance, which may be extended in 2017 in light of 'more than 1.3m Syrian refugees' hosted in Jordan. The loans have a maturity of 15 years, and will be conditioned on Jordan respecting 'effective democratic mechanisms, including a multiparty parliamentary system', the rule of law and guarantee respect for human rights.²⁸ This EU loan follows a decision of the IMF three months earlier to extend assistance worth approximately US\$720m to support economic and financial reform²⁹ and an earlier EU macrofinancial assistance package of €180m.

²⁴ *Assistance of the European Union to Jordan in response to the Syria Crisis for 2016: Overview of Financial Assistance*

²⁵ 'Jordan-EU meeting on 'EU rules of origin' trade deal postponed indefinitely' 24 January 2017 *Albawaba Business* website Available at http://www.albawaba.com/business/jordan-eu-meeting-eu-rules-origin-trade-deal-postponed-indefinitely-929208?utm_content=buffer11fa9&utm_medium=social&utm_source=twitter.com&utm_campaign=buffer Accessed 21 March 2017

²⁶ EEAS *ibid.*

²⁷ 'Jordan data' European Bank for Reconstruction and Development Available at <http://www.ebrd.com/jordan-data.html> Access 22 March 2017.

²⁸ 'Jordan: Council agrees to €200m in loans' 4 November 2016 Available at <http://www.consilium.europa.eu/en/press/press-releases/2016/11/04-jordan-council-agrees-200m-eur-loans/> Accessed 21 March 2017

²⁹ 'IMF Executive Board Approves US\$723 million Extended Arrangement Under the Extended Fund Facility for Jordan' 25 August 2016 IMF website Available at <http://www.imf.org/en/News/Articles/2016/08/25/PR16381-Jordan-IMF-Executive-Board-Approves-US-723-million-Extended-Arrangement> Accessed 21 March 2017

Here again, surveying the EU's assistance through multiple instruments, its efficacy is not a measure of the EU's performance in generating the assistance, but whether it produces the desired outcome. Jordan's overall aid levels are declining. The GCC's assistance package expired in 2016, and has not been renewed. A replacement investment facility to support infrastructure and others promised by the Kingdom of Saudi Arabia in August 2016 have not materialized. Jordan's borrowing levels reached 93% of GDP in 2016 and its growth levels will remain sluggish, meaning that it will have to start curbing its expenditures, something its partners are nervous to request.

3. Looking to the horizon

EU programming is developed through a consultative process. The ENI strategies are developed in consultation with EU MS, Southern Mediterranean partners, international financial institutions and civil society. The EU has also conducted an interagency situation analysis, in line with its institutional approach to convening internal situation or conflict analyses as programming is being developed. An internal interagency one-day workshop apparently recently discussed the key issues identified in the Compact: radicalization, political governance, the security sector and security sector governance and the political economy, to identify conflict risks and resilience factors. These consultations will inform programming documents, such as the Single Support Framework, currently in development.

In 2016, the EU and Jordan agreed their mutual priorities for 2016-2018 in the EU-Jordan Compact. The statement underscores EU appreciation for Jordan's role in hosting refugees and promoting peace and security in the region. The priorities are listed as i) partnership in foreign and security policy, including CVE and anti-terrorism ii) enhancing Jordan's social and economic development, in addition to enhancing resilience in hosting refugees; iii) strengthening governance, democratic reform and human rights.³⁰ These priorities underscore the dominance of a hard security agenda.

The review in the previous section has shown that the key drivers of conflict identified in this paper have been identified and targeted repeatedly in EU programming documents. Yet by the EU's own evaluation, Jordan is not working to mitigate key drivers of conflict related to inclusive and responsive governance and economic growth. Some of the EU's human rights campaigns are perhaps useful proxies here: despite the EU's repeated condemnation of Jordan's lifting its moratorium on the death penalty, and extensive EU-Jordan commitments to enhance human rights, Jordan executed another 15 people on charges of terrorist activity in March 2017. King Abdullah received President Al-Bashir of Sudan in Amman in March 2017 for the Summit of the LAS, in which EU HR/VP Federica Mogherini also participated, when, as a State Party to the International Criminal Court (ICC), Jordan has an obligation to arrest him in accordance with the ICC warrant and surrender him to the Court.³¹ As part of its commitment to the ICC, the EU usually publically reprimands States Parties that host Al-

³⁰ Council of the European Union *Annex to the Joint Proposal for a Council Decision on the Union position within the Association Council set up by the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, with regard to the adoption of EU- Jordan Partnership Priorities and annexed Compact* 20 September 2016 Available at <http://data.consilium.europa.eu/doc/document/ST-12384-2016-ADD-1/en/pdf> Accessed 21 March 2017

³¹The ICC warrant for the arrest of president Al Bashir on charges of crimes against humanity, war crimes, and genocide is outstanding.

Bashir.³² Despite its extensive aid packages and trade arrangements, the EU has not been able to negotiate improvement on Jordan's domestic conflict drivers.

A key obstacle to addressing these issues is connected to Jordan's status as a lynchpin in regional stability and security, and here Jordan's security and the security of the regime are seen as synonymous. In the aftermath of the 'Arab Spring', the GCC does not want a regional monarchy to lose its grip on power. Western powers, notably the US but also to a lesser extent the UK, have a hard security approach to the region. Jordan and Israel have close security ties and Israel has recently been passing messages of concern of increased instability in Jordan and the need for security support meant presumably as much for American and European audiences as its domestic one.³³ The geopolitical contexts also affect the EU's role – the more delicate the politics, the more foreign policy rests with national capitals. This need not, however, prevent the EEAS and European Commission (EC) from taking the lead in playing to the EU's strengths away from the limelight.

Within this context, reforms that could promote political instability may seem high-risk. On the other hand, doing nothing allows the problem to fester and also carries risk. Since the 'Arab Spring' Jordanians are more aware of the possibilities of challenging the existing order. Demonstrations have not replicated the old East Bank/West Bank fracture lines, and political parties loyal to the Royal Court are becoming more reform-minded. Jordan's citizens will remain mostly Palestinians demanding greater representation. The possibility that this discontent will manifest violently cannot be dismissed.

Recommendations

- 1. The EEAS should quietly facilitate a better strategy for Jordan, supported by a good implementation plan led and owned by key Jordanian reformers and institutions:** Jordan needs contingencies for building a better, more inclusive society in which East Bank Jordanians do not take the lion's share of power, benefits and resources. The leadership has limited time to understand the scale of the challenge they face. Finding ways to examine potential scenarios with the Jordanian government and helping them navigate the very difficult choices they face is a role the EU could and should assume. This could take the form of structured but informal dialogues and workshops between EU MS representatives, the EEAS and principal actors in Jordan to reach a common understanding of Jordan's risks and its options to manage them.

The EEAS could take advantage of this moment to muster political support from the relevant parts of the EU machinery (particularly the EC's directorate-generals for Neighbourhood and Enlargement Negotiations (DG NEAR), and for Migration and Home Affairs (DG HOME), and MS to invest resources in supporting the reforms necessary to reduce the risk of violent endogenous conflict in Jordan. To build resilience, the EU – through the EEAS and/or well-positioned MS – needs to find a way to work with the Jordanian government, particularly the Royal Court and the security services, to build on the limited political and economic reforms it has achieved to date and extend them in the future. It should also find a way to support bridges between reformers and civil society to help develop a national dialogue for inclusive reform.

³² At the time of writing, the EU had not issued a statement.

³³ 'Israeli Envoy to Jordan Worried About Kingdom's Increasing Instability' Haaretz website 8 March 2017 Available at <http://www.haaretz.com/israel-news/.premium-1.775851><http://www.haaretz.com/israel-news/.premium-1.775851> Accessed 21 March 2017

This would not necessarily require a change in EU policy or instruments, but the assumption of a quiet leadership role, using the tools at its disposal – such as political dialogue – more effectively.

2. **The EC should use its funds more effectively *before* they shrink:** The EU is presumably expecting to write off the loans it has made as the cost of keeping Syrian migrants out of Europe, as at any current (or indeed past) rates of growth, the Jordanian economy will not be strong enough to pay them back in the agreed timeframe. Even so, this will not alleviate the problems: the challenges are known. Jordan will share borders with highly unstable neighbors in Syria and Iraq for some time, but eventually international attention and funding will presumably turn towards reconstruction in these countries as Jordan's regional role (and donor support) diminishes. The MEPP has stalled, while the 'Arab Spring' continues to disrupt the regional economy. Brexit will affect the EU's budget but might also give the EU room to pursue new policy directions, particularly in the Middle East. The Trump Administration is an unknown quantity, but the proposed budget reflects a priority of supporting security partners and cutting all other economic and political programming. Together and separately, these factors suggest that there will be less funding available for Jordan in the future, but may also provide the opportunity for the EC, EEAS and concerned EU MS to plan for new scenarios.
3. **The EU institutions and MS should require progress in addressing the fiscal crisis.** The solution to Jordan's serious and still-deepening fiscal crisis is not to continue providing budgetary support or trying to build the private sector but to undertake significant political reform. To demonstrate their own seriousness in addressing the political drivers of Jordan's fiscal crisis, EU MS should, for a start, **instruct their EBRD representatives to uphold the Bank's own rules and conditionality before extending more investment to Jordan.**
4. **The EEAS and the EU Delegation to Jordan should also monitor closely the outcomes** of their current governance and reform programming and **align future funding** to reflect progress made, as it is already supposed to do. The EU should not just seek to strengthen its partnership solely in the security arena, but should also **stay attuned to meaningful if small measures that the government initiates** (the recent proposals from a royal committee for justice sector reforms is a good example)³⁴ and direct their political and financial support to encourage those reforms.

³⁴ Jordan: A Strong Move for Justice Reform (Carry Out Recommendations Quickly)', Human Rights Watch, 14 March 2017. Available at <https://www.hrw.org/news/2017/03/14/jordan-strong-move-justice-reform>. Accessed 3 April 2017