

## **A Marshall Plan for the Maghreb and Middle East?**

BY BRIAN D. SHAW | Posted: Sunday, July 28, 2013 12:00 am

The phrase “Marshall Plan” has become synonymous with large-scale relief programs associated with war, post-conflict reconstruction or even natural disasters. The George C. Marshall Foundation in Lexington has sponsored numerous conferences and meetings here and abroad that examine why The Marshall Plan was so successful (in preserving and establishing democracy and free enterprise in western Europe after World War II) and how its action principles might best be applied to contemporary situations where economic reconstruction or mass relief is needed.

The Marshall Foundation’s recent conference in Tunis brought together business people, academicians, policy planners and other thought leaders for a day and a half discussion on regional economic integration in the Maghreb, the region in North Africa that includes Libya, Tunisia, Morocco and Algeria. It was there that the Arab Spring was born.

(Our partners for the conference were The Stimson Center in Washington, voted last year as one of the most creative and innovative think tanks in the country by the MacArthur Foundation, and L’Institut Arabe des Chefs d’Enterprises, an organization of CEOs and academicians in Tunis that does thoughtful and serious work on economic and political issues in the region.)

Five main tenets set the tone for the conversation. They come right from the ethos of the Marshall Plan.

- Political stability won’t occur in the region (or anywhere) without economic stability.
- A strong case can be made for economic integration; the challenges are primarily political and security conflicts.
- Any successful aid program must be driven by the country and not imposed by outside countries or institutions.
- Structural framework is more important than aid; in other words, systems must be in place to administer and monitor the aid for the program to be successful.
- Political leadership and elements of self-sacrifice and determination are essential to the success of aid programs.

These basic Marshall Plan premises inspired the group to look for ways to apply them to the Maghreb and, perhaps, beyond. There was much discussion about how the “informal” economy of the region — small shops and merchants selling to individuals and small groups — is as large as the “formal” economy comprised of large companies and corporations, both domestic and multinational.

How can a structure be created that allows for more growth of that informal economy? Can incentives be created, or, more importantly, can impediments such as tariffs and taxes be reduced or eliminated to spur more and expanded free trade?

The consensus from the group was that the old methods of thinking about the economy — protecting small numbers of traditional jobs at the cost of creating new jobs in a more integrated marketplace — were not going to work in the post-Arab Spring era.

Another idea broadly discussed was the creation of cross-border enterprise zones, particularly in the southern part of the region. For centuries, those who live in that part of the region moved freely across borders, taking their trade with them.

Practices of modern border control — and the presence of armed rebels — has all but eliminated that easy ability to move goods and services between countries and the people who need them. Can innovative political thinking create a system that would allow the same freedom of movement that existed for thousands of years? The thinkers in the room believed it possible.

Many other topics elicited spirited discussion — the impact and high cost of corruption on businesses and political systems, the role civil society must play in the growth and expansion of the economy, the influence of former colonial countries, such as France, in stimulating or impeding the region's economies. Those topics and others will be part of the conference report to be issued in the fall.

The Marshall Plan is considered by many to be our nation's greatest foreign policy achievement.

Yet, even those who cite it as such are quick to point out the many differences between post-war Europe and areas such as the Maghreb and the Middle East. Those differences are real and profound.

That said, what the Tunis conference and others have shown time and again is that the innovation, vision and creativity that George C. Marshall — U.S. Army chief of staff in World War II, Truman administration secretary of state, 1953 Nobel laureate — and others applied to the plan that bears his name remain as relevant and practicable in the 21st century as they were 65 years ago.

In fact, if history is any teacher, the strategic lessons of Marshall's leadership might be the Middle East's best and only path to political and economic growth and development.

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