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**Commissioner MATUTES reviews issues  
for the Community in the Mediterranean**

In a message addressed today to the annual PIO MANZU Conference held in Rimini (Italy), Mr Abel Matutes, Commissioner in charge of Mediterranean Policy, reviewed the issues which the European Community is facing in the Mediterranean and stressed the need for new approaches.

Following are excerpts from Mr MATUTES message :

"We in the 12 countries of the European Community are 320 million, the 14 non-EC countries in the Mediterranean are 200 million. In 2025, the 12 will still be 320 million, the 14 will be 400 million.

The 14 have 5 million nationals in total as migrant workers on our soil. But they also have, each year, 5 million new citizens to feed, cloth and educate.

The 14 are our third customer and our fourth supplier.

These few facts tell us how vital the region is for the European Community.

Being as close as it is, the Mediterranean Basin's prosperity and stability are key factors of our own prosperity and stability.

Just as Eastern Europe, they are key factors of our security.

A worsening economic situation

The 14 non-EC countries in the Mediterranean had a cumulated trade deficit of about 16 billion dollars in 1987, partly offset by tourism revenues and workers remittances.

Debt service has reached very high proportion - between 25 and 50 percent of import receipts - for more than half the countries in the region. Half of them have a negative food balance.

Many countries in the region, in fact most of them with varying degrees, suffer one major illness: a non-market resource allocation mechanism.

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Many countries are politically committed to market-oriented reforms but progress is often insufficient and constrained by a lack of external financing.

#### A deteriorating environment

The Mediterranean Basin is one single ecological resource. But it is degrading very fast: scarcity of water, scarcity of agricultural land, desertification, half a million tons of urban waste every day in the coastal areas, air and sea pollution.

At this rate of depletion of their environment, where are the Mediterranean countries going to host the tens of millions of tourists who bring them eight billion dollars a year?

#### The political factors

As recent history shows, economic freedom needs political democracy and vice versa. One needs political stability to devote energies to economic progress and one needs economic progress to create an harmonious society where essential consumption needs are satisfied, where social opportunities are offered.(...).

By 1992, in the European Community, economic and political cohesion will be stronger, economic growth will be stronger. This is why, we cannot afford to let the gap widen between the European Community and its neighbours to the South.

#### The need for new approaches

In the Mediterranean Basin, economic systems are opening up. Governments need to pursue their efforts. Can we do more and better to help them? The answer is yes.

The European Community and its twelve Member States need to do three things in my view:

- keep our markets open and improve market access wherever possible;
- support economic reforms in whatever way possible: with technical assistance, with financial assistance, so that a growth strategy can be put in motion. Job and income creation need to be commensurate with population growth;
- be prepared, wherever the need may arise, to address sudden basic food shortfalls, because scarcity would be intolerable.

In summary, we, around the Mediterranean, share common interests and common challenges. But we live too close to each other to ignore the basic economic and political evolutions taking place at our doorsteps.

Economic freedom, political liberty and a closer implication of non-EC Mediterranean countries into the European Community of 1992 are, I think, common objectives."