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Thierry de Montbrial

Maintenant, je passe la parole à un ami aussi de longue date, de la World Policy Conference en particulier, Fathallah Oualalou, qui a été Ministre des Finances, Maire de Rabat et également un universitaire et un auteur prolifique, notamment d'un excellent livre sur la Chine. Mon cher Fathallah, tu as la parole.

Fathallah Oualalou

Thank you Thierry. Good evening everyone. In your dense introduction, Thierry, you said that Europe must close ranks to stay in the globalization game. First, I wish to congratulate you on the success of this session in Marrakech.

That exhortation is important not just for Europe, but the wider world as well. It concerns the future of globalization and the quest for a more sharing, balanced and multipolar world.

It concerns our region, the region of Morocco, in other words the Afro-Euro-Mediterranean region. That is my focus. Based on this focus, I propose a short-term and a long-term perspective.

In the short term, the second decade of the 21st century is coming to an end. It was a challenging, sometimes even a bad decade for the Mediterranean. In the north, Western Europe has been in crisis since 2008.

Governments had to stimulate their economies, going deeply into debt. Then the crisis deepened, primarily to Southern Europe. The Greek question even cast a shadow over the euro's very existence.

Despite a slight, sputtering upturn in 2016, the standstill continues. Inertia prevails. Europe is beginning to doubt itself and its relationship with its neighbors. As Brexit and the rise of populism show, it may even doubt democracy, even though it is the cradle of democracy. Yet it has so many assets in terms of values, history and location!

The decade was even harder south of the Mediterranean: foreign interventions, civil wars, the risk of nation-states disintegrating, the rise of conservatism, radicalism and destabilization. The Palestinian question has even been at risk of being forgotten, but it is still in people's hearts and minds.

In short, it was a decade when the Mediterranean regressed but the world changed and moved. The rise of Asia was confirmed. Early in the decade, China became the world's second-leading power and launched its road and belt initiative. India became the world's fifth-leading power.

At the end of the decade, a new United States-China bipolarization is clearly emerging. It is ending on a note of economic uncertainty: sluggish global growth, trade wars, the decline of multilateralism and the rising risk of geopolitical instability in the Middle East and Africa, especially in the Sahel.

Getting back to the economic issues, I have three observations. In Europe, domestic political weakness prevents a country like Germany, which has a budget and trade surplus, to take the initiative of a stimulus, however necessary it may be. In Asia, I believe that China's growth rate will continue to fall, to around 6%, perhaps less than 6% because domestic demand cannot wholly make up for slackening foreign demand.

Then there is the United States/China and, it must not be forgotten, United States/Europe trade war, which, increasingly, is essentially technological. In this war, the West is calling on China to make changes to its economic and above all political model. I do not think it is ready.



China will continue to promote its market economy—I would even say its capitalism—by strengthening political centralism, which has allowed it to have better control over the long term. But perhaps it is up to the West, to democratic countries, to act domestically to make their own political system and democracy evolve so that it also integrates the long term.

In the long term, the new globalization is evolving. It is 2030, 2050 and later. Our Afro-Euro-Mediterranean region, which is what interests me the most, must meet four essential challenges of the new globalization.

The first challenge is demographic growth in Africa, a basic shift that carries risks as well as opportunities. The second, as Madam Ambassador just said, is climate change, which affects everybody, North and South, East and West. It requires all of us to take a sharing approach in the world and in our relationships. Here, I will very quickly come back to the Mediterranean to mention a study published just two days ago, which says that the Mediterranean is heating up 20% more than the rest of the rest of the world.

The third challenge is the growth of inequality in the world and within countries.

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The issue of inequality must lead us to promote a sharing approach, and even to work on renovating the political economy to take it and the environment into account. That is also the road to development, the road to life, as Prime Minister Fabius said yesterday.

The fourth challenge is new geopolitical antagonisms, starting with conflicts over water, which is vital everywhere in Africa and other places, but also the challenge of poverty and, increasingly, cultural and religious issues. Here again we need sharing, in other words more tolerance and recognition of all the essential civilizations.

Alongside these four dynamics, there are two other interlocking issues. The first is the technological revolution led by the digital transition and artificial intelligence. The second is the new United States/China bipolarization.

Our region must find an answer to all that. Above all, Europe must restore its coherence, become reconciled with itself and recognize its proximity. Again, I agree with you: proximity with Russia in the East and especially with Africa and the Mediterranean in the South.

Africa and the Southern Mediterranean countries—I am thinking of the Maghreb of course—must come together and make their political system and economic strategy credible. This would seek to restore the Mediterranean's peace, dynamism and centrality, which are necessary for a more balanced, more multipolar world, and ensure that the Mediterranean becomes an advanced testing ground for this strategy of sharing and balance. Thank you.

Thierry de Montbrial

Merci Fathallah. Je voudrais rebondir sur ta remarque concernant l'économie, la science économique.

Je pense que vous avez tous vu qu'Esther Duflo a été couronnée du prix Nobel d'économie il y a quelques jours. Elle représente des recherches aussi très originales dans le domaine des inégalités, la pauvreté surtout. Ce qui est très intéressant – nous n'avons pas le temps de commenter davantage – est de voir l'évolution de l'affectation des prix Nobel à travers le temps.

Il n'y a pas si longtemps que cela, c'était juste avant la grande crise de 2007-2011, le prix Nobel a été décerné à quelqu'un que je ne citerai pas pour des travaux sur lesquels il se fondait pour dire que des crises économiques du type de l'entre-deux-guerres étaient absolument exclues à tout jamais. C'est très intéressant de voir l'évolution intellectuelle de l'approche des questions économiques.

En tout cas, merci infiniment.