

Seeking Business and Economic Stability within Euro-Mediterranean Countries

THE GLOBAL ECONOMIC CRISIS has left scars on most countries around the world – countries in Europe and the Mediterranean basin are no exception. Spain is experiencing record levels of unemployment, rising cost of basic foods such as rice, bread and cooking oils has worsened Egypt's food crisis for the poor and inflation runs ramped in several other North African and Southern European countries. Add to this, the bleak economic outlook for Greece with its insurmountable growing debt and its subsequent questionable continuance within the Eurozone and we have a much deflated depiction of the region's economic stamina.

Ironically, the countries that had the least to do with the onset of the crisis have felt its tyranny the most. Hence, as the wake of the crisis seems to be subsiding, it is time to critically evaluate how we can best proceed from here. How do we decrease the vulnerability of countries in the Euro-Mediterranean basin to such global economic shocks and, at the same time, set forth prosperous economic agendas that do not miss out on global opportunities?

Within this thought line, numerous proposed strategies exist that seek to achieve better global market positioning for the region. However, common for these and other promising proposals is that they are hugely underdeveloped, unstructured and uncritically assessed; the how and what of realistic business and economic opportunities and stability remains unresolved.

Within the current issue of *IJEMS*, I am proud to bring you six articles that address the topic of bringing sustainable business and economic stability to the region, in coherent, structured and intelligent ways. The concerns of the Euro-Mediterranean area are not easily solved but the points brought up by the authors published in this issue go a long way towards getting the region onto the right track and finding that all delicate balance between meeting the needs of the common woman/man without stifling the economic base of corporations that require financial manoeuvrability to be able to compete.

[4] The issue begins with a portrayal of how Egypt has weathered the wrath of the financial crisis and critically assesses the options that are available for Egypt now. From this, Assem Reda Abu Hatab sets forth several well founded policy recommendations that are grounded both in realism and optimism.

The second article by Vito Pipitone emphasizes the role of technological progress in the economic growth of Mediterranean countries. By estimating results related to total factor productivity within 24 countries in the region, the author is able to propose a synthesis of factors, related to technological progress, that are key to affecting the economic growth and prosperity of those countries. Accordingly, being aware of and facilitating these is thus an important step towards achieving stability and growth.

The third article cuts to the core of the current theme. The authors, Francesc Prior and Javier Santomá, address the problem of lack of access to basic financial services for companies, a cardinal hindrance for economic growth, in the countries Algeria, Egypt, Morocco and Tunisia. They adopt a unique approach of utilizing micro-financing that meets the financial requirements of companies in the Maghreb but that also serves the interests of the lowest income segments. This leads to an elucidation of several best practices that can be implemented in order to extend access to basic financial services to a larger proportion of the population of these developing countries.

The fourth article by Jelena Vapa-Tankosić scrutinizes current trade policies undertaken by the European Union and how these effect the economic viability and strength of Serbia. Gauging from the current business economic circumstances within Serbia, the article concludes that fostering increased trade is important for Serbia's ability to weather the financial crises. The fifth article by Vesna Damnjanović, Milena Kravic and Tarek Abdul Razek similarly addresses the issue of policy assessment, this time with regards to the tourism industry in the Mediterranean region, specifically Italy, Serbia and Lebanon. The authors are able to identify current brand positions related to tourism aspects within the Mediterranean region and they propose future opportunities for developing branding communication strategies for better global market positioning.



The final article by Elisabetta Pavan takes a different and refreshing approach to the debate. The author tackles the issue of stimulating economic growth within the Mediterranean Region by addressing it through cultural variances and interpersonal communication between Italians and their Greek and Algerian counterparts. It is concluded that transcending these cultural barriers, of which there are several interesting examples given, would act as a vehicle for greater economic success. All articles included in the current issue of IJEMS are noteworthy and interesting to digest. I wish you happy readings and urge the discussion to continue on how we, within the Euro-Mediterranean countries, can and must grow in unison and with prosperity.

[5]

Rune Ellemose Gulev
Guest Editor