



Noref Report

Past errors, future options: new policies towards the Middle East

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Summary

Europeans and North Americans have backed authoritarian regimes which failed to respect human rights and heavily curtailed political freedom. Fear of and hostility towards Islamists, who were considered undemocratic, dictated the western policy of supporting regimes that repressed every form of opposition. Discontent was further fuelled by policy choices that were popular abroad but far less so at home. Thus Arab populations resented the support of their leaders for unbalanced policies on the Israel-Palestine conflict. Similarly economic reforms implemented with western support (international financial institutions, the US and the EU) often reduced living standards, failed to relieve poverty and increased inequality.

The author advocates for a new political agenda whereby 1) western support for democracy replaces support for authoritarianism, 2) Palestinian wishes are reconciled with Israeli expectations, and 3) economic cooperation moves away from recipes that have utterly failed.

Societies in transition to democracy must be supported, even if the transition does not involve complete regime change. Power-sharing

arrangements or “pacted transitions” can provide frameworks for former adversaries to work together towards a new inclusive political regime. It is important not to exclude parties who have not been allowed political participation to date (such as the Muslim Brotherhood), and majority popular support is vital if transition governments are to be acceptable to a larger part of the population.

The other two scenarios – the return of the ousted rulers, or the complete eviction of the latter and their supporters – could easily end in persecution and long-term restrictions of liberties. By any reckoning, power-sharing arrangements would appear to be the best option to replace authoritarian regimes.

Lastly, even-handedness is key to power-sharing – if it is to last and possibly result in democratic rule. Government policies need to promote an equitable distribution of wealth and reduce social divides. In the case of the Arab countries, policies acceptable to the majority of the population are more likely to be implemented if western actors refrain from demanding alignment on unpopular positions, such as aspects of the Arab-Israeli conflict.

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Authoritarian regimes and economic inequality

The “Jasmine revolution” in Tunisia, strong and sustained popular protests in Egypt, as well more limited demonstrations in Algeria, Jordan, Yemen and Sudan all express decades of frustration of large parts of society about stagnating or declining living conditions, the erosion of what were once supposed to be welfare states, growing economic inequality, the lack of respect for human rights and the absence of any meaningful form of political participation.

Though less severe than in other parts of the world, poverty is rampant, the middle classes are increasingly threatened by impoverishment, social mobility – particularly of the younger generations – points downwards rather than upwards, political dissent is met with anything between cooptation and repression, and elections are farcical exercises to return incumbents to power. Although these countries differ from one another in important ways, economically as well as politically, fundamental similarities can be identified.

Algeria, as a major oil and gas producer, enjoys better cash flow than for instance Yemen. Egypt has a freer press than Tunisia but at the same time its regime is more firmly entrenched. However, beyond these differences we are talking about mainly (lower) middle- income countries that produce and trade low-surplus goods, receive various forms of economic, technical and military aid from economically more advanced countries, fail to meet the material aspirations of their populations, (for instance through the creation of decent jobs), and therefore send labour migrants abroad.

The regimes are authoritarian, patrimonial – even predatory – supported by relatively limited constituencies who benefit from their rule. They are hated by large parts of society even though others quietly accept them and trade liberties against some material security. In the absence of any political opening, part of the opposition at times took extremist steps and resorted to violence, followed by severe repression.

In this context, the US, the EU (with the partial exception of the European parliament), and European governments inside and outside the EU – partly influenced by public opinion, and partly shaping such opinion in line with increasingly dominant

neoliberal and culturalist views of the world – have adopted positions towards the Middle East that have exacerbated tensions within Arab countries, thus contributing in some measure to the recent events.

Stability over democracy

First, Europeans and North Americans have thrown in their lot with authoritarian regimes that often claimed to reform and democratize but never did so. Until very recently demands for political reform were never pressed enough to bring about change beyond mere window dressing. More serious and sustained emphasis on human rights and democracy under the George W. Bush administration was either foolhardy, as in Iraq, or too short lived to have any positive effect.

Ever since Islamists managed to take over the 1979 revolution in Iran and establish an Islamic republic hostile to the West, Europeans and Americans have been ready to support any dictatorial or autocratic regime in the Middle East, provided it was not Islamist and fought Islamists at home. Put euphemistically, the search for stability replaced the search for democracy, however much lip service was paid to the latter. Events such as the assassination of Egyptian President Sadat in 1981, the preliminary results of the 1992 elections in Algeria, and more recently the advent of an elected Hamas government in the Palestinian territories in 2006 strengthened Western fears of, and hostility to, anything smacking of Islamism.

Increasingly, no distinctions were made among the wide range of very different Islamist opposition groups and trends, when in fact the only common denominator was the expression of political demands in religious terms. Individuals and groups with views similar to the European Christian Democrats were lumped together with terrorists such as al-Qaeda. Lack of accurate knowledge of the Arab political landscape, combined perhaps with an unwillingness or inability to nuance the available information, meant that the vast majority of political groupings appeared suspicious, simply because most of them continued to express themselves in religious terms.

On the sole and partial evidence of events in Iran, Islamists were considered non-democratic by definition. Former President Ben Ali was considered a democrat because he repressed Islamists in Tunisia,

and Mubarak because he repressed them in Egypt. Tensions worsened between the West and Islamists with the latter sometimes transforming into hostility the critical attitude that they had always shared with Arab nationalists and the Arab left.

The Palestinian factor

Second, authoritarian rulers in the Arab countries became even more unpopular in the eyes of their populations because they supported Western attempts to settle the Arab-Israeli conflict on terms that appeared to be biased in favour of Israel. In Egypt and Jordan, peace treaties with Israel are unpopular because: 1) they failed to avoid wars such as the Israeli invasion of Lebanon in 1982 or the recent Gaza war; and 2) they failed to deter the expansion of Israeli settlements in the Palestinian territories, making the prospect of a Palestinian state even more remote.

Unable to stand up to Israel and increasingly authoritarian, the Palestinian National Authority (PNA) itself soon appeared illegitimate, not only to many Palestinians but also to many Arabs elsewhere. Western support for the PNA was increasingly seen as support for continued Israeli occupation. Incidentally, Western support for Israel and the PNA – seen by many Palestinians as unable to respond to their aspirations – greatly strengthened Hamas. (Hamas, in fact, is a relative newcomer as it only emerged some twenty years after Israel occupied the West Bank and Gaza.)

Unpopular economic reforms

Third, authoritarian Arab rulers implemented, sometimes under duress, economic reforms imposed by the international financial institutions, the US, the EU and other drivers of globalization. Although by the late 1980s these reforms, to some extent, had become unavoidable, in many ways they had a negative effect on large segments of the population. Inspired by neoclassical and neoliberal economic ideas, macro-economic stabilization and structural adjustment policies reduced the living standards of broad sectors of the middle classes. Even when and where they contributed to growth, and reduced budgetary and external imbalances, they failed to improve the living conditions of substantial parts of the population or even further impoverished them.

The reforms no doubt heavily benefited some 5% to 7% of the population, but this new wealth only increased the gap with the rest of society. Many such benefits resulted from openly corrupt practices, including the use of political power to create captive markets for crony capitalists, for example by favouring them in the sale of public sector companies. In short, authoritarian regimes supported by the West were blamed, not only for being unaccountable but also for implementing unpopular foreign and economic policies.

A case in point is the Euro-Mediterranean Partnership governed by the 1995 Barcelona Declaration and its avatars, such as the extension of the European Neighbourhood Policy to the southern Mediterranean countries. The partnership and the neighbourhood policy are based on dubious premises, dictated by limited historical experience and ideological assumptions that have been erected into dogma. Economic liberalization is supposed to improve competitiveness, and increase investment, trade and economic growth which, in turn, are supposed to create employment, raise income and enhance welfare. Welfare then is supposed to create a middle class and improve education, conditions which allegedly favour political liberalization and democratization.

In fact, democracy would fall into place when everybody is sufficiently wealthy and does not need to join Islamist groups who supposedly only recruit from the destitute. The “political dialogue” that the partnership formally calls for could be limited to the strict minimum, economic development, the consequences of which would prompt democratic change anyway. Unfortunately every link in this chain of events is questionable and has been proven wrong either in Mediterranean countries or elsewhere.

For instance, economic liberalization may have enhanced competitiveness but it has also destroyed companies and jobs; increasing investment does not necessarily create jobs, as Europe and the US once again are witnessing; new employment opportunities do not necessarily allow people to earn a decent living; welfare does not translate into democracy; and Islamism is not only – and indeed often not at all – the result of poverty.

A new economic and political agenda

Three factors have played into the recent upheavals in North Africa – repressive regimes with scant political freedom, social grievances and the Palestinian-Israeli conflict – and although the West is not blamed in equal proportion for all three, it needs to address them all. The implementation over decades of contested policies in Tunisia and Egypt by unaccountable, authoritarian and repressive regimes ultimately accounts for the massive popular mobilizations, not seen for decades. In Tunisia, economic and related social grievances were far more central than the Arab-Israeli conflict. Another aspect was the familiarity of numerous migrant families and the educated classes with conditions in Europe where political liberties do exist. In Egypt, economic and social grievances were also prominent, but the regime’s inability to contribute to a fair settlement of the Palestinian-Israeli conflict also played a role.

In other words, history tells us to redefine future policies towards the Arab countries and the Middle East in two important ways: 1) as far as political systems are concerned, support for democracy should replace support for authoritarianism; 2) regarding policies, on the political level a new balance has to be struck to reconcile Palestinian wishes (and those of other Arab countries) with Israeli expectations, and economically, cooperation needs to move away from recipes that have utterly failed.

Support for any type of reform needs to be sensitive to the complexity of the realities to be changed, including the factors enabling and impeding such change: the resistance by vested interests, time horizons that cannot be those of electoral cycles, the restructuring of companies or other narrowly defined output targets.

Thus support for political liberalization and democratization needs to take into account the interests, expectations and objectives of all actors concerned. The aim of an external actor like the US, the EU, or the Norwegian government cannot be to promote political liberalization at any cost – disregarding the objectives of the different political actors concerned and the balance of power governing their relations. Rather it should be to support forces for democratic change where they already exist, in particular, when these groups themselves seek support.

Power sharing and transitions

In any event, support should be granted to new democracies or political regimes that are clearly in transition towards democracy. Transition to democracy does not necessarily mean complete regime change, nor does it involve the complete eviction, marginalization or even repression of representatives of the outgoing regime and their supporters. Existing balances of power may call for power-sharing arrangements or “pacted transitions” which cater to the needs of the previous rulers and their challengers. Spain and Brazil are successful examples of pacted transitions in which former adversaries, even enemies, worked together in an attempt to build a new inclusive political regime.

Today the obvious example is Tunisia; the departure from the new cabinet of all members of the Destour party, except for the prime minister, cannot hide the fact that the administration, the police and to an extent even the army comprise people close or formerly close to the fallen president. Egypt is likely to be a more telling example. At present it is difficult to imagine an outcome to the current impasse that would not involve some entrenched constituencies of the *ancien régime* – such as members of the dominant National Democratic Party, the police and especially the armed forces. Nor should any major opposition force such as the Muslim Brotherhood be excluded. The pact should include a commitment to regular elections under a transparent monitoring mechanism which, among other things, would assess the strength of the pacting parties.

Transitions must be inclusive

A crucial condition for successful power-sharing arrangements is that all parties share the perception of belonging to the same state, nation or political community, and also the will to preserve these as such. This is no doubt the case in Tunisia and in Egypt and it preserves these states from internal divisions which can lead to contradictory external alliances – as has happened in Lebanon and Iraq.

Support for a democratization process which includes pacted transitions should not be conditional on who the pacting parties are. No doubt it is legitimate to exclude extremists – provided the notion of extremists is defined as narrowly as possible. However, there is no reason to consider,

for instance, the Muslim Brotherhood in Egypt as extremists. One may disagree with their aims and agenda, but that does not make them extremists. The fact that they have never been (allowed to be) in a situation of having to accept electoral defeat cannot be used to question their democratic credentials, just as the current opposition parties (including the Wafd and the Tagammu) and the dominant NDP have also never had to deal with electoral defeat,

Properly negotiated power-sharing agreements include constitutional guarantees and other checks and balances to prevent domination by one party. That said, it is obvious that power-sharing arrangements need time to be consolidated and generally accepted. One should also remember that, historically, democracies were rarely created by democrats but in fact emerged out of power-sharing arrangements among actors that could not impose their sole rule. This applies to the UK as much as to France.

Majority popular support is necessary

Pacted transitions in Arab countries today may, in the short term, not lead to ideal-typical liberal democracies but should at least produce regimes acceptable to a larger part of the population. Of course they may also remain precarious and relatively unstable over considerable lengths of time. However, once again, they seem preferable to the repressive regimes that they replace, which have by now revealed their limits and drawbacks. Continued support for contested authoritarian regimes will only postpone the day of reckoning and in the meantime radicalize opposition.

Pacted transitions and power-sharing agreements are also preferable to the two other possible outcomes of revolutions and popular upheavals – the return of the ousted rulers, or the complete eviction of the latter and their supporters. Either of these two scenarios could easily end in persecutions, massacres, and long-term restrictions of liberties and denial of rights to large parts of the population. By any reckoning, power-sharing arrangements would appear to be the best option to replace authoritarian regimes when they are faced with massive opposition and the threat of disintegration.

However, not all currently existing authoritarian regimes are candidates for power-sharing. Some may stay against great odds or simply by luck, as has happened in Jordan and Morocco in the past. Others like Saudi Arabia may be more resilient in general, although after the rapid departure of Ben Ali one cannot be cautious enough. There is little hope that any upheaval or “revolution” will immediately produce a liberal democracy, as the history of the past 250 years amply confirms. Yet power-sharing agreements may in time develop into more substantially democratic regimes.

Even-handedness is key to power-sharing

For power-sharing arrangements to last, be successful and possibly give rise to democratic rule, government policies need to be even-handed, reduce social divides and benefit all sides equitably. In the case of the Arab countries, policies acceptable to the majority of the population are more likely to be drafted and implemented if powerful external actors representing the global North refrain from demanding alignment on unpopular or non-consensual positions. Regarding the pending issues of the Arab-Israeli conflict, a line may be drawn between the need to serve existing peace treaties and, for instance, the renewal or extension of arrangements governing Qualified Industrial Zones (QUIZ) that favour Egyptian exports to the US on the condition of using Israeli inputs.

The question here is not whether these zones ultimately serve all parties and some higher cause, but whether they are acceptable to the majority of political forces in Egypt. With regard to economic reform, greater attention must be paid to the distribution of income and wealth, with the backing of international donors. Recent developments affecting IMF policy may be taken as a promising sign. Accepting the need for an equitable distribution of wealth in the case of Arab states will entail accepting it in other countries as well and, by the same token, reduce the likelihood of upheavals elsewhere.