

# Modernizing without Democratizing? The Introduction of Formal Politics in Saudi Arabia

STEFFEN HERTO

## Introduction

Saudi Arabia is often treated as an exception by both political scientists and regional specialists. This is true in many regards, but both groups seem to have overlooked the fact that the nature of the Kingdom as an »outlier« makes the testing and comparison of broader hypotheses in comparative politics all the more rewarding. This is especially the case with recent institutional changes in the political field which partially fit patterns witnessed in many other authoritarian countries, but are at the same time situated in a specific Saudi context of skewed state–society relations and rentierism.

## The Thesis

Saudi Arabia has seen a modest but discernible measure of political »liberalization« since at least 2003. New spaces for debate have been opened up, and a number of new »interest groups« have come into being, dealing with social and political issues considered taboo just a few years before. Elections have been held in various associations and at the municipal level. The Kingdom seems to have departed from the old model of Saudi politics which was characterized by an omnipresent bureaucracy and a formally fragmented society.

This essay cannot examine in detail all areas of institutional development in the Saudi polity. It will focus mainly on changes in economic policy-making and the related shifts of resources and negotiation patterns – the area which has seen the most significant changes by far when it comes to the real influence of societal groups.<sup>1</sup> Despite the focus

---

1. For a detailed discussion of the Saudi corporatist record, cf. S. Hertog, »The new corporatism in Saudi Arabia: limits of formal politics,« in G. Luciani and A. Khalaf (eds), *Constitutional Reforms and Political Participation in the Gulf* (Dubai, 2006).

on this particular case, the analysis is part of a broader conceptual argument: I contend that the recent institutionalizations of politics in the Kingdom signify an attempt to modernize Saudi authoritarianism and that this is happening along »corporatist« lines.

The inclusion of business in formal policy-making is part of this corporatization, but in contrast to other groups, it is politically meaningful: Saudi business has a tradition of formal organization and lobbying, and has been granted space to develop historically. None of this is true of other, recently created »civil society« organizations, which have no social roots to draw upon. This is why the inclusion of business is a success in terms of formal interest intermediation, whereas the activities of other groups appear anemic and politically irrelevant.

The essay will briefly discuss »corporatism« and outline its broader features in Saudi Arabia, followed by an analysis of corporatist structures in economic policy-making. It will try to explain what the changes mean for state–business relations in political terms and, perhaps more importantly, what they do not mean. In conclusion we offer some broader theoretical and comparative remarks.

## **Corporatism in the Kingdom of Saudi Arabia (KSA)**

### **Definition**

As our agenda is to bring Saudi Arabia back under consideration by comparative politics, some conceptual remarks are inevitable. First, what is »corporatism«? It is a specific way of organizing politics. Although it is still not consensually defined, the corporatism debate has circled around a number of features. For our purposes, a citation from Philippe Schmitter's famous 1974 essay will do.

»Corporatism can be defined as a system of interest representation in which the constituent units are organized into a limited number of singular, compulsory, noncompetitive, hierarchically ordered and functionally differentiated categories, recognized or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports.«<sup>2</sup>

---

2. Philippe Schmitter, »Still the Century of Corporatism?«, in: *Review of Politics*, Vol. 36, No. 1 (January 1974), p. 93f.

Among its main features, interest groups and interest articulation mechanisms are licensed and more or less controlled by the state. They have monopolies on specific, exclusive task areas and are therefore organized along functional lines. It is different from the ideal type of »pluralism« which stipulates a free interplay of competing and overlapping interest groups which exist independently of the state, although of course they seek to influence it.

The original context in which the corporatism concept was spelled out is that of South American authoritarian systems and a number of European pre-wwII autocracies.<sup>3</sup> The formal organization of societal interests, it has been argued, becomes necessary when society is more strongly mobilized, state functions grow, and politics becomes more complex. Corporatism has lost salience in the current politics of many systems or, at any rate, in the analytical debate. I would contend, however, that the Saudi attempts to reform (or to be seen to be reforming) its politics appear to fit this pattern surprisingly neatly.

### The Saudi Corporatist Record

First, the government has attempted to organize a number of politically sensitive professional groups in exclusive associations since 2003. This includes most saliently lawyers and journalists. Recently there has been talk of teachers' and writers' associations, while students at a college in the Western province were allowed to elect representatives for a student council for the first time in early 2006.

All these groups have played vocal political roles in many other Middle East and North Africa (MENA) countries, especially in those where political parties are either weak and docile or absent.<sup>4</sup> By acknowledging the role of these strata, the Saudi regime has created a semblance of »modern« interest group politics, giving formal representation to different functional segments of society. The Saudi associations, however, have been licensed and by most standards in fact created by the state. In a strik-

---

3. There is also a more liberal concept of West European democratic corporatism in which the set-up looks very similar, but has not been imposed by the state but rather evolved organically. The standard examples are »concertations« and »high councils« which include the government, employers, and labor.

4. A number of Saudi professional associations predate the recent initiatives, but they tend to be in less politically sensitive areas and are indeed thoroughly apolitical.

ingly corporatist move, even a »private« Human Rights Association has been licensed and funded by the state and given de facto exclusive status to lobby on human rights issues.

Secondly, the »National Dialogue,« a series of publicly acclaimed conferences on social and political issues since 2003, has followed the corporatist pattern: Although they are one-off events, they were state-licensed and tasked with debating specific issue areas. Participants in the different sessions were recruited along specific functional lines (clerics/intellectuals, women, young people, and so on). In the absence of other societal forums, the National Dialogue had a de facto monopoly on organized public debate at national level. Remarkably, it never claimed to include all of society, but rather engaged it segment by segment. Continuing this pattern of sectoral compartmentalization, the issue to be addressed by the upcoming sixth Dialogue is education – a political topic to be sure, but a clearly delimited one.

Thirdly, one may also argue that the Majlis Ash-Shura, which has acted as a quasi-parliament since 1993, has corporatist features: Its members are selected by the state, according to criteria of functional representation (with a strong presence of former bureaucrats). Its effective political role is in fact limited to specific technocratic policy areas. It is certainly more corporatist than most other parliaments in the world and although it is an important and efficient institution in many regards, it would be a stretch of the imagination to interpret it as a forum for the free interplay of social forces.

There have been many further small attempts and trial balloons to organize society through state-licensed, functional bodies like community centers and workers' councils within enterprises. Alternative political interest groups, which are not state-sponsored, tend to be ignored or suppressed – the fate of an alternative human rights society in early 2004 and political petition groups. »Civil society« with its bottom-up elements is strictly circumscribed in the Kingdom, at least when it comes to formal organization.

Saudi »state corporatism« is largely a top-down imposition, attempting to channel social and political interests and debates in reaction to a series of external and internal crises. These crises include internal unrest and issues of social disintegration in relation to the terrorist problem, as well as external pressure from the US, international bodies, and INGOS after 9/11. Some recent reform initiatives have been openly instigated by the US, such as Saudi participation in several »Middle East Partnership Ini-

tative« activities, including career and professional skills workshops for young Saudi women and cooperation on education reform. In the realm of civil society organizations, the Saudi leadership has moreover felt the need to be represented in burgeoning international and regional civil society forums of professional and human rights groups, parliamentarians, and so on.

Whatever the specific impetus of reform, the absorption of the various Saudi crises since 9/11 has to be seen against the background of an increasingly complex – though formally under-organized – society which is hard to control with merely the traditional mixture of bureaucratic and informal structures. The level of education has risen, ideological cleavages are increasingly salient – witness the lively press debate on issues of cultural opening – and the needs and expectations of various status groups are becoming more differentiated. It appears that a more formal representation of different groups is imperative to enable interest aggregation of various groups and to sustain social peace in the long run.

One salient feature of recent initiatives is that they give the Saudi polity a much more *formalized* and modern appearance than a few years ago. A certain traditional corporatism in which the ruling family is the arbiter for different, broadly defined status groups – merchants, bureaucracy, foreign workers, tribes, and so on – arguably pre-dated recent developments.<sup>5</sup> Nonetheless, the more clearly *institutionalized* corporatism, engaging with those kinds of interest groups that supposedly emerge in »modernization« processes, is a new phenomenon.

### Why Is It So Anemic?

Even the Saudi press has dared to criticize the often rather sterile nature of these corporatist exercises: Interest in the National Dialogue has been low, many journalists do not feel represented by a body mostly run by editors-in-chief, and the lawyers' committees reportedly do little to communicate with their members. Many other initiatives appear to fizzle out after a short time. For the time being, most of the new initiatives appear to fulfill neither their palliative function nor – as much as desired – their

---

5. Cf. Khaldun Naqib, *Society and State in the Gulf and Arab Peninsula: A Different Perspective* (London/New York: Routledge and Centre for Arab Unity Studies, 1990); Nazih Ayubi, *Overstating the Arab State: Politics and Society in the Middle East* (London: IB Tauris 1995).

function as sources of information and negotiation partners for the state and as *organizers* of their respective societal segments.

Organizational reforms are happening above society, triggering little discussion and have only limited outreach. This is true both of externally imposed initiatives and of those motivated by domestic politics.

The reason for this record is the top-down nature of institutionalization, though also – conversely – the lack of structure which characterizes Saudi political society: The Kingdom has never undergone a period of modern political mobilization like most other MENA states.<sup>6</sup> Attempts in the 1950s and 1960s to create union and party structures were repressed rather harshly, and the subsequent boom allowed the state to co-opt societal groups and make large parts of society dependent on state largesse.

Today there are few formal groups to co-opt, as even modern elites do not have a tradition of functional organization. Saudi Arabia has few political entrepreneurs who would want and know how to organize larger groups into formal channels. Politics is to a large extent conducted through linkages which are local, personalized, and often paternal in nature and not differentiated by modern criteria of stratification and functional position in society. Even comparatively well-organized charities, which have a longer organizational tradition in the Kingdom, are usually under the patronage of specific royals. Initiatives relating to women in particular tend to have (otherwise underemployed) princesses as patronesses.

As the stakes in Saudi politics and economy are rather clearly distributed, there are moreover no new strata to be mobilized for projects of political or social transformation, as has happened in other countries historically – at least not without unacceptable costs to established interests. For a regime, which has historically put a premium on rent-induced quiescence and political demobilization, it is difficult to create functioning corporatist structures from scratch. Especially the supposedly modernizing »new middle class« is deeply fragmented and tied up in networks of patronage, distribution, and fealty.

---

6. Cf. Robert Bianchi, *Unruly Corporatism: Associational Life in Twentieth-Century Egypt* (New York/Oxford: Oxford University Press 1989); John Waterbury, *The Egypt of Nasser and Sadat: The Political Economy of Two Regimes* (Princeton: Princeton University Press 1983); Raymond Hinnebusch, *Authoritarian Power and State Formation in Ba'athist Syria: Army, Party, and Peasant* (Boulder/Oxford: Westview 1990); Steven Heydemann, *Authoritarianism in Syria: Institutions and Social Conflict, 1946–1970* (Ithaca: Cornell University Press 1999).

Although parts of society have been politicized – for example, through dissident preachers – this has not happened in a way that is amenable to easy co-optation into modern corporatist categories. Islamists operate through parallel, informal ideological networks beyond state control, which are separate from conventional interest group politics.

Although new, functional interest groups may mature and put down roots in their segments of society over the years, they would probably need more autonomous leeway to do so than they have now. Interestingly, Latin American corporatism has also emerged from less organized, more localized, and clientist systems. However, the Saudi state and the established stakes in it are much bigger than in nineteenth-century Latin America, hence Saudi adaptability may be correspondingly lower.

## **Corporatism and Saudi Business**

There is one case, which contradicts our findings so far: Saudi business and its increasing formal incorporation into policy-making in recent years. Policy consultation with the private sector has been introduced gradually and is still partial. Nonetheless, it is much more substantive than with any other modern interest group, and business as a lobbying group is more coherent than any other »functional« group, which makes the how and why of recent changes analytically interesting.

### **Institutions Involved**

To be sure, high-ranking individual Saudi business players have long had informal access to ministers and princes, but it is only in recent years that consultation with business has been formalized through a number of corporatist channels.

The chambers of commerce and industry are the main corporations into which Saudi business is organized. Their history and set-up is typical of »state corporatism«: The government supervises elections to their boards and appoints one third of board members. Membership of chambers is obligatory for all businesses. Some (limited) administrative functions have been delegated to the chambers.

The chambers have in the past acted as powerful veto players. Nowadays, however, they tend to get more involved in the details of policy negotiation. On the one hand, they are going through a gradual process

of internal maturation. There is a slow generational change in which new leaders emerge, sometimes from the upper middle stratum of business (as opposed to the very big patriarchs of yore). Although their policy research capacity is still quite limited, they are commissioning more reports, organizing more symposia, and proposing more laws than they did in the past. On the other hand, the state allows a greater role for them through regular circulation of draft laws and other regulations, which are usually discussed in the chambers' sectoral committees. This happened on an ad hoc basis for several years, but now includes virtually all new economic regulations. The administration is still careful not to lose control and divulge too much information, but a substantial change in the procedure of economic policy-making has been discernible.

One major player in the new set-up is the Supreme Economic Council (SEC), which then Crown Prince (now King) Abdallah created in 1999. The SEC effectively is a mini-cabinet comprising the most important ministers dealing with economic questions. It is part of Abdallah's careful economic reform drive and has an advisory panel (Majlis Ash-Shura) attached which also includes select private sector figures. Chamber and other business representatives are invited for hearings on specific issues. Although the set-up is rather statist, it is reminiscent of »concertations« and »high councils« in (liberal) European corporatism (minus labor representation, that is). The extent of formal consultation and input through presentations and studies from private consultants and business groups is unprecedented.

The Majlis Ash-Shura itself has included a limited number of businessmen, some of whom, like Abdalrahman Al-Zamil, are very vocal on economic issues. Economic policy is one of the areas in which the Majlis is relatively important, and it too invites private sector representatives for hearings, usually in specialized committees.

The Saudi private sector has also been granted representation on functionally specialized bodies, like the board of the General Investment Authority. Altogether Saudi business, often led by the chambers, has become integrated into a much more formalized pattern of policy-making, in which draft laws pass between the full cabinet, the SEC, and the Majlis Ash-Shura, often offering several access points for consultation. This is in stark contrast to the fully bureaucratized pattern of economic policy-making in the 1980s. Then, laws would emerge from backdoor discussions with a few consultants in a relevant ministry, drawing on informal consultation with a few trusted business magnates at best, to be quickly



pushed through the cabinet subsequently (and sometimes rescinded as they proved impracticable).

### Some Examples of Corporatist Negotiation

There are a number of important regulations which illustrate the change in policy-making patterns. The 2003 income tax law, for example, had been debated in the Majlis for two years and room was made for thorough consultations before ratification. It was eventually brought down due to business lobbying. A similar law in the late 1980s, by contrast, was announced from one day to another, only to be rescinded a few days later due to massive protests after its introduction, among others by expatriates who walked out from their workplaces. Although the policy outcome in both cases was similar, in 2003 it was a result of consultation, whereas 15 years earlier it came only after the government realized the law was unimplementable.

The new foreign investment regulations of 2000 are another example of extensive consultation, when several items demanded by private sector representatives were taken on board (for example, regarding tax issues and minimum investment levels). The Riyadh chamber was also instrumental in convincing the government to provide gas to the capital for industrial use, and the chambers have proposed drafts on trademark and anti-dumping issues. They have taken part in substantive negotiations on the labor law and the pending company law.<sup>7</sup>

Saudi economic corporatism grants the relatively mature Saudi business sector representation in a number of tightly compartmentalized, specific institutions. This is not to say that the private sector is always united or well-informed or has high-quality input to offer – the opposite is often the case. However, it is a serious actor, especially through the chambers, and is increasingly included in policy deliberations. With its partial opening, the regime is slowly reacting to a shift in resources in the balance of state and bureaucracy, in which the state wants more from the private sector, but can deliver less – in managerial and administrative terms, as well as in terms of capital and, often, information.

---

7. Concerning the labor law, a state–business consensus had been reached after long discussions, only to be destroyed by a new draft emerging from the bureaucracy. The government still has the last word, and the policy-making process, though more regularized, can still be interrupted by haphazard interventions.

## State and Business: Mutual Needs and Capacities

What makes business special? The main factor, arguably, is that it has enjoyed much more space for historical development than any other social stratum, as it has traditionally been an ally of the regime. The Saudi private sector has possibly reached the highest stage of economic maturity in all of the Middle East. Although it is a class largely created by the state, through years of massive rent accumulation, it has developed its own dynamics and capacities.<sup>8</sup> It is internationally integrated, and a sizeable number of business leaders are highly educated. Although Saudi business players are still tied up in cronyist networks, their policy demands have become more complex as their managerial and production structures are much more advanced than 20 or 30 years ago.

Large-scale private sector projects require predictability and solid legal and infrastructural services. Industrial producers and service providers require consistent standards of some kind, and although they can often leverage their connections, many of them are increasingly fed up with day-to-day bureaucratic obstructionism and intransparency which cause deadweight losses proportionate to the complexity of the economy and of business operations. Such slow changes in perception are reinforced by the generational shift the private sector is currently witnessing, as old family patriarchs die and businesses enter a phase of transition, which in the more successful cases often results in the transformation of family assets into public companies.

The state, at the same time, has reached the limits of its distributional capacities, as it can no longer provide guaranteed employment and public services are creaking. The efficiency of the fragmented bureaucracy is rather low and the leadership is increasingly realizing that it will require the private sector for employment and growth generation. It is forced to offer serious investment opportunities because Saudi capital has an implicit or explicit exit option, as shown by the Saudi presence not only on international financial markets, but increasingly also in investment projects in other Middle East countries.

The state therefore needs the business sector and, although it retains the last say on economic regulation, has increasingly been willing to listen

---

8. Cf. Giacomo Luciani, »Saudi Arabian Business: From Private Sector to National Bourgeoisie,« in: Paul Aarts and Gerd Nonneman (eds), *Saudi Arabia in the Balance: Political Economy, Society, Foreign Affairs* (London: Hurst 2005), pp. 144–181.

to this sector's views. What is important in our context is that Saudi business has been able to aggregate its interests in a more coherent fashion than other modern groups in the Kingdom.<sup>9</sup> The new focus of the regime on consultation and participation could draw on established organizational networks.

Business has traditionally been given more scope for organizing itself and debating policy than most other potential interest groups in Saudi society, and the uneven record of the corporatist initiatives reflects this. Whereas for intellectuals, lawyers, journalists, and so on, the instant corporatism appears stale and to have limited outreach, business has been allowed to establish itself structurally and organizationally.

## What Does It Mean?

The fact that the private sector is being given *specific* formal access means that its partnership with the regime is being modernized. This does not mean that the ground for broader political participation is being prepared – the new procedures outlined above are rather a corporatist alternative to an openly political role for the private sector. The fledgling bourgeoisie may have brought democracy to some countries in European history; it is unlikely to do so in modern Saudi Arabia. As long as big Saudi business is furnished with specific channels of access and opportunity, they have no need for grand politics.

The Kingdom follows a global logic: In other Middle Eastern cases and in Latin America, businesses have been »contingent democrats« at best. Democracy has occasionally been used as a means of protecting specific private interests, but these could also be protected through selective political access in authoritarian systems.<sup>10</sup> Even in nineteenth-century Europe, from which we derive our paradigm of the liberalizing bourgeois-

---

9. I am referring to larger business players who tend to dominate the chambers and policy debates in general. The numerous SMEs in the Kingdom are under-organized and have little political voice. In contrast to other Islamic countries, a middle-ranking »Islamic bourgeoisie« (as Gilles Kepel has described it in: *Jihad: The Trail of Political Islam*, London: IB Tauris 2002) has not emerged. One of the reasons – beyond generally low opportunities and interest in mobilization – is that a large share of smaller enterprises are run and often informally owned by expatriates.

10. Eva Bellin, *Stalled Democracy: Capital, Labor, and the Paradox of State-Sponsored Development* (Ithaca: Cornell University Press 2002).

sie, business tended to be uninterested in mass democracy, as their early role was often limited to fighting for the political participation of bourgeois elites.<sup>11</sup>

In the current Saudi setting, the selective access, which the regime grants, seems preferable to any conceivable political alternative. With a few individual exceptions, the Saudi private sector is indeed remarkably apolitical and interested at most in certain issues of inefficiency, corruption, and fiscal accountability. The example of corporatist inclusion of business also demonstrates that formal interest politics can coexist with traditional forms of clientism, as large business actors use both formal and informal channels to further their interests.

### Some Comparative Remarks

Saudi Arabia has embarked upon a process of partial authoritarian modernization. The regime appears to be reengineering its ruling coalition, with somewhat more – although clearly circumscribed – space for the private sector, and a number of less successful attempts to organize other societal groups into institutionalized »corporations.« The regime has tried to channel social interests, offer tokens of participation, and, possibly, pre-empt the emergence of independent organizations.

In the Saudi case we may be witnessing a specific type of »rentier corporatism,« which combines top-down attempts to formalize interest representation with a patronage-dependent society that is not amenable to being formally organized. Several authors in the rentier state debate have argued that resource-rich regimes can use their powers of patronage to undermine autonomous groups in society, especially when oil is available at an early phase of state-led development. Distribution and cooptation are used to demobilize civil society, dismantle independent organizations, and increase dependency on the state.<sup>12</sup> This is what seems to have happened in Saudi history, with only specific strata – namely business and religious interests – allowed to coalesce as interest groups. If a

---

11. Ann Bernstein and Peter L. Bergen (eds.), *Business and Democracy: Cohabitation or Contradiction?* (London/New York: Continuum 1998).

12. Dirk Vandewalle, *Libya Since Independence: Oil and State-Building* (London: IB Tauris 1998); Michael Ross, »Does Oil Hinder Democracy?«, in: *World Politics*, Vol. 53 (1) (April 2001), pp. 325–361.

regime then tries to formally organize societal interests later on when challenged to modernize its rule, it tends to meet indifference within an informally structured society, and the new organizations remain socially and politically irrelevant.

How specific is this to Saudi Arabia? Rentier states are always situated in specific histories; oil seldom determines regime choices or creates a »tabula rasa« of political institutions. The Saudi story, therefore, cannot be easily generalized. It is all the more instructive to investigate in which cases a »rentier corporatist« trajectory might develop and in which cases it does not.

Following the »method of difference,« other oil monarchies in the Gulf are obvious objects of comparison. Variation in terms of the private sector's political role is particularly interesting. In Kuwait, by contrast to Saudi Arabia, there is a historical tradition of parliamentary representation of business, which tends to be more politicized in times of crisis. The business class is less of a creation of the state and has strong pre-oil political traditions, which apparently makes it harder to fence in, which indicates the crucial importance of the historical timing of oil income. The same point is borne out in quite a different way in Oman where, at least until recently, major business families have been so deeply ensconced within the administration that a formalization of politics – whether democratic or authoritarian corporatist – may appear less pressing. Large business families managed to install themselves in the state apparatus at an early stage of state formation, in several cases developing long-term claims on specific ministries.

Saudi state–business relations may be more comparable to those in Bahrain: There, the private sector is close to the old autocracy, but not as deeply involved in the administration as in Oman, and it has recently been encouraged by the – highly authoritarian – prime minister to engage in the officially sanctioned political institutions. Balancing more autonomous and radical social groups appears to be one of several motivations for this.

At the same time, Bahrain in general has witnessed a flourishing of civil society groups in recent years, which reflects the much higher level of political mobilization of Bahraini society, which is a function of stronger social cleavages and, crucially, historical precedents of political liberalism. Bahrain has also seen some attempts at tripartite negotiations between the state, employers, and unions, which would be inconceivable in the Kingdom, where unions are outlawed.

Both Bahrain and Kuwait have experienced longer periods of political contestation and mobilization in their modern histories, and their landscape of interest groups, though partially organized along corporatist lines, appears much livelier. In this sense, they are also less close to the ideal type »rentier state.« Saudi Arabia seems closer to the United Arab Emirates and Qatar: Both are systems with little associational tradition, lacking a history of political mobilization in recent decades. Massive oil riches have made a dominant patronage role for the state and its elites possible. Like the Saudi kingdom, both have recently tried to create »civil society« organizations such as professional associations and unions – experiments which have proved quite feeble and have aroused little public interest. If anything, they seem to be even closer to the ideal type of »rentier corporatism« than Saudi Arabia.<sup>13</sup> In none of them, however, do social and cultural tensions appear to be as pressing as in Saudi Arabia.

Beyond the Gulf, Saudi corporatism may indicate a certain convergence of Middle Eastern authoritarian systems in general, including republican ones where authoritarian corporatism has a longer history. Of course »progressive« republics like Egypt, Tunisia, and Syria also have a much stronger mobilizational tradition with powerful, if state-controlled, organizations representing different socio-economic strata. The recent evisceration of the more populist elements of their corporatism – namely workers' and peasants' unions – and their more austere and pro-business orientation may indicate that in certain regards the cases are meeting in the middle.<sup>14</sup> We might be seeing a convergence on a model with two main features: First, the systems are characterized by more formalized elite politics and a greater balance of forces between regime and business, similar perhaps to the early liberalism of nineteenth-century Europe. Concurrently, however, other state-licensed interest groups and institutions of broader participation are often empty shells, and large parts of society are uninterested in day-to-day politics, at least as long as there is no broader crisis. Regimes with very different origins are looking increasingly similar.

---

13. In Qatar and the UAE, the private sector also still seems to be so clearly in the shadow of the government that it has not become a major political player.

14. On the changing nature of corporatism in the republican regimes of the Middle East, cf. Anoush Ehteshami and Emma Murphy, »Transformation of the Corporatist State in the Middle East,« in: *Third World Quarterly*, Vol. 17 (4) (December 1996), pp. 753–772.