

Transformation of the corporatist state in the Middle East

ANOUSHIRAVAN EHTESHAMI & EMMA C MURPHY

This article will examine the feature of simultaneous economic and political liberalisation displayed by many states in the Middle East in the last two decades and the increasingly apparent tendency of such states to reverse the political aspects of reform, in substance if not officially, as the economic elements take root. The article seeks to demonstrate that this may be a function of the disarticulation of corporatist models for political organisation adopted in bureaucratic-bourgeois states. As the state seeks to build a wider political base in support of its economic policies, it is itself responsible for the breakdown of the corporatist structures which have provided political stability. The political protest and challenges to the regime which result cannot be contained without resort ultimately to the authoritarian assets of the state, reversing attempts at political reform. The corporatist state is transformed into an overtly authoritarian state.

Corporatist states in the Middle East

Our starting point must therefore be the nature of the state in the Middle East before the era of economic liberalisation. For many countries in the Middle East and North Africa independence ultimately led to the transfer of power from traditional (usually urban-based land-owning) elites to nationalist and populist regimes. It brought with it a move towards import-substitution industrialisation (ISI) strategies for development which were seen as a way of breaking away from dependence on exporting cash crops and commodities and concentrating instead on domestic industrialisation and production diversification.¹ The implementation of ISI carried with it considerable implications for the organisation and role of the state.

New regimes were drawn from populist national movements which claimed to be classless in as much as they represented all classes, thereby making class struggle irrelevant. In practice, however, ISI strategies, with the emphasis on rapid catch-up industrialisation to supply the domestic market, resulted in the growing importance of the industrial bourgeoisie. In most cases, however, the existing industrial bourgeoisie was either weak and relatively unformed or, in the case of previously colonised countries like Egypt, had largely included foreign bourgeois elements which left or were disappropriated with independence. When the state assumed the responsibility for planning and resource allocation in development, and later for production and distribution, it became in effect the

Anoushiravan Ehteshami & Emma C Murphy are at the Centre for Middle Eastern and Islamic Studies, University of Durham, South Road, Durham DH1 3TG, UK

industrial bourgeoisie—or created that social class among its employees and clients.

In this early populist phase, the state drew the existing but still weak working classes and urban middle classes into its rank in order to mobilise the human resources of the country, and their political support, behind its development strategies. In return for their support, the state offered them welfare services and production and supply of new consumer products. Guillermo O'Donnell has called this the easy phase of ISI,² pointing out that as the process of 'deepening' development takes place, so ISI becomes harder to sustain. The need to direct resources into investment and development forced regimes to withdraw welfare provisions and abandon the alliance with the working classes. Populism was likewise abandoned as anything other than rhetoric and the state assumed an authoritarian character.

The state is able to do this because, during the 'easy phase', it develops its own 'class' interests and resources. The ever-growing role of the state in the planning and development of the economy, combined with the impact of sudden widespread educational opportunities and employment aspirations, mean that the state apparatus grows accordingly into an inflated, self-perpetuating and self-interested bureaucracy. This ability of the state to forge or abandon ties with other class interests is referred to by writers such as Nicos Poulantzas and Ralph Miliband as 'relative autonomy' and is discussed at length elsewhere.³

Corporatism in less developing countries

Ironically, the dominance of the state is made possible via the deliberate deconstruction of class mobilisation that takes place under a bourgeois, bureaucratic state.

While some colonial regimes left in place primitive forms of parliamentary democracy, as the state grew stronger these became decreasingly relevant as fora for political competition. As with cases where populist and nationalist movements had swept away old colonial democratic structures, new political structures took their place. In populist states, single-party rule on a corporatist model became common, with interests being negotiated and incorporated into the state's decision-making processes through internal mechanisms rather than through external challenges. The single party,⁴ which was supposed to illustrate the victory of the classless, national society, became the intermediary between state and interest groups. The absence of alternative political parties, and the division of class interests between established incorporated interest-based organisations, prevented the growth of class-based institutional challenges to the state. Political society was vertically stratified, with the higher echelons of interest-based organisations being interchangeable and even indistinguishable from the lower echelons of the single party which served to mediate the interests of the interest group with the state. Equally, the higher echelons of the party were fused with the personnel and apparatus of the state. Individual advancement was dependent upon a strict system of hierarchy and ladder-working, with party membership becoming both a goal and a qualification. The state operated what was, in effect, a divide and rule strategy. Interests could be incorporated into

political decision making via party mediation, thus diffusing potential grievances against and challenges to the regime. Interest groups had a chance of advancing their interests so long as they worked through the established and internalised system of interest articulation. By interest groups, we refer here to functional groups within society; agricultural producers, industrial producers, white collar workers, women, the military. Within each group would be members from high and low income groups, from a variety of socioeconomic backgrounds. Thus an organisation for agricultural interests would include a poverty-stricken landless peasant as well as a capitalist farmer and a cooperative farm manager. An organisation representing women's interests might include women from professional occupations, housewives, students and mothers. Horizontal class stratification was fragmented and demobilised.

When interest groups attempted to air their grievances outside of this system—for example by challenging the dominance of the single party and its role as an arm of the state—the regime would claim that they challenged the national consensus and interest and so could legitimately be suppressed. Corporatism considers society to be organic, rather like a body with many parts functioning harmoniously together but having separate tasks: 'The brain (the government) and the nervous system (the party) control these parts and make sure they work harmoniously together to achieve a desired end (once again the technological mission of the state and society). They *must* work harmoniously together; just as one's arms and legs cannot be at odds with one another if one is to walk, so too the functioning parts of the society must be coordinated for the body to live healthily. Occasionally diseases set in; foreign bodies (the Jews in Nazi Germany) must be purged; conflict may produce paralysis; a specific functioning part may atrophy'.⁵

Corporatism also appeals to the lower-middle classes because it offers a channel for upward mobility for those from poor backgrounds who have benefited from newly available educational opportunities but have little else that can work to their advantage. However, corporatism sees the existence of organised labour to promote working class interests as potentially threatening. While the regime may seek to organise and mobilise labour in order to co-opt it, it will equally seek to segment that mobilisation to prevent any challenge or class-based alliances.

One interest group which deserves special mention is that of the armed forces. In order to enforce its prohibition against conflict within society, and to secure its domination over society, the regime must have the full force of the military at its disposal. The military is given a privileged position in the vertical stratification, both distinguishing its members from other individuals with whom they might have shared common socioeconomic, ethnic or cultural interests, and offering tangible rewards which aid in defending the armed forces from subversive infiltration. The military provide the regime with nationalist camouflage and, as in more overtly praetorian regimes, provide the 'order' necessary to allow economic development to take place. Thus a generals/civilian technocrats alliance defends the control of the now authoritarian bureaucratic regime, while a corporatist political structure provides the channels for mobilisation through which it can operate.

The military in the Middle East has a history of intervention in civilian life—indeed a strong military institution is one of the few historically continuous features of the region. The reformist regimes of Turkey, Iran and the Arab world all had their roots in military activities—either struggles for independence or military coups—and even Israel's military played a critical role in shaping the young state. Regime elites were in their early years deeply coloured by their military composition, not least because, being often drawn from upwardly-mobile lower-middle classes, the military were natural challengers to the old traditional and colonial orders. Once the bureaucratic state was established, however, and despite their continuing dependence on the military, the bureaucrats increasingly subordinated the military to civilian rule. The military generally ultimately accepted this for a number of reasons; first the bureaucracy ensured that the military benefited from the economic rewards of state management.⁶ Second, the professionalisation of the military, combined with the introduction of more formal types of organisational structuring, reduced the scope for independent military initiative. Third, ruling regimes established counter-forces such as security services independent of the military to subvert counter-coups. Fourth, poor military performances in some instances demystified the military and, finally, the infiltration of military personnel into civilian economic and political spheres ensured a common interest between the state and the military which underpinned the latter's support for the former. The potential for economic reward for military personnel has offered a common interest with the speculative and trading commercial bourgeoisie which is resistant to political instability and has an interest in cooperating with the bureaucratic state. Equally, the military has become more sophisticated in its infiltration of civilian ruling circles. Hosni Mubarak (Egypt), Hafez al-Assad (Syria) and Zine el-Abidine Ben Ali (Tunisia) are prime examples of ex-military men who have 'civilianised' their own images as they have acceded to power while retaining their army power-bases.

Nazih Ayubi contends that the reliance of the state upon the military's coercive abilities indicates the weakness of the corporatist state in the Middle East, rather than the strength which is often mistakenly associated with sheer size and scope of state functions. The state, in his view, 'is not a natural growth of its own socio-economic history or its own cultural and intellectual tradition. It is a "fierce" state that has frequently to resort to raw coercion in order to preserve itself, but it is not a "strong" state because (a) it lacks—to varying degrees of course—the "infrastructural power" that enables states to penetrate society effectively through mechanisms such as taxation for example; and (b) it lacks ideological hegemony (in the Gramscian sense) that would enable it to forge a "historic" social bloc that accepts the legitimacy of the ruling stratum'.⁷

Thus a corporatist state with praetorian tendencies may have a relatively high degree of autonomy in terms of being immune to pressures exerted by class interests, and be able to exert its own interests, but its power is still fragile and vulnerable to rapid social changes and economic crises.⁸ Where it appears strong, this is in part likely to be thanks to the comparative weakness of alternative organised social forces. The late integration of the Arab world into the capitalist European-dominated world, followed by the colonial experience,

had ensured that classes were poorly developed and ineffective as mobilisatory poles of social organisation.⁹ Indeed, the political oppression that characterises the authoritarian corporatist state has frustrated any inclination of classes other than the bourgeoisie to organise and mobilise themselves.¹⁰

It has been pointed out that this corporatist bureaucratic authoritarian regime type was the predominant state form to emerge in the Middle East and North Africa among those states which overthrew or supplanted traditional monarchies or colonial regimes. Nasser's Egypt, the Ba'thist regimes of Syria and Iraq, Ga'afar Nimeiri's Sudan, Mu'ammarr Gaddafi's Libya, Boumedienne's Algeria, Bourguiba's Tunisia, Ataturk's Turkey, Reza Shah's Iran and even Ben Gurion's Israel, all displayed to varying degrees the ideological and structural preference for this political model. The traditional monarchies also display an alternative form of corporatism, one that is more 'organic, solidaristic and communitarian',¹¹ but it is corporatism none the less.

Culture and corporatism

Ayubi raises another issue of particular pertinence to studies of the Middle East, the notion that corporatism in the developing world is in part a result of cultural and historical precedents, arguing that much of the Arab world has experienced historical centralised traditions, reinforced by colonial rule.¹² Thus an expanded bureaucracy and a subsequently apparently strong state are not alien to the existing culture. Moreover, the Arab world has enjoyed a dynamic commercial history but has had only weak industrial entrepreneurial elites in both capital rich and capital poor states. The state has largely assumed the role of industrial bourgeoisie in the development process, increasing its autonomy and the extent of its functions and control.

Others provide an alternative 'cultural' explanation for corporatism in the Middle East.¹³ Bill & Leiden's argument is that the formal vertical institutional stratification of society comes naturally to Arab society, which is vertically stratified at informal levels. Informal groups are not corporate but exist in a diffuse and relatively unorganised manner. Such vertical differentiations include tribe, family, clan, regional affiliation, ethnic or religious background, cliques and factions. They are extremely important to social organisation in the Arab world, with a corresponding impact upon political organisation,¹⁴ and to some degree the same can be said to be true of non-Arab Turkey, Iran and even the oriental majority of Israeli Jews. The sectarian and familial fragmentation of Lebanon in the 1970s and 1980s is an excellent although possibly extreme example of this feature of Arab society. They also argue that institutional groups have traditionally held a more central position in Middle Eastern political history than have associational groups, 'although parliaments and political parties are recently established institutional groups, bureaucracies and armies are institutional groups of a more ancient vintage. While associations are generally twentieth-century phenomena in the Middle East, certain institutional groups have routes that extend back to pre-Islamic days'.¹⁵ These institutional groups are, none the less, fraught with the complexities of personal cliques, family loyalties and regional factions. Thus one is not surprised to note the existence of

persistent and dominant clan supremacy within Arab state bureaucracies. Take, for example, the Takriti clan in Iraq, the Oudja clan in Algeria or the Alawite sect in Syria.

Just as these informal vertically differentiated groups persist within modernised state structures, so the patterns of patronage and clientalism characterise the operations of the expanding bureaucracies. As widespread education enables more people to struggle for shares in the diminishing pie of wealth creamed off from the development process, so these traditional patron-client linkages resurface within the bureaucracy and its alliances.

Waterbury refers to the cultural antecedents of corporatism when he compares the role of the state in managing the collective interests of the Muslim *umma* with the Latin American predisposition to regard the state as infused with the values and responsibilities of the Catholic Church.¹⁶ The resulting 'organic statism' 'imbues the state with the purposeful role of achieving the common good in the name of all of the society but independent from any of its constituent parts', a prospect made viable by the absence of any clearly dominant class. In a later work, with Alan Richards, however, he argues that:

Whatever historical and cultural predispositions there may be for the twentieth-century manifestations of corporatism, we argue that those manifestations must be seen as new and culturally neutral. They emerge as a function of state-building and market penetration in an age when no government can afford to condone wide disparities in the distribution of wealth.¹⁷

Only the additional feature of a prominent military in the Arab states is considered to represent a cultural component to modern corporatism, since the military itself is probably the most corporate form of organisation of all.

Corporatism, the state and the private sector

One of corporatism's major virtues has been the fact that it allows regimes to disguise the abandonment of commitments to social justice with mechanisms for incorporated interest articulation. This was extremely important for those Middle Eastern states which had adopted the ideological rhetoric and economic aspirations of socialism.

Middle Eastern 'socialism' has almost always in reality been a combination of *etatism* and welfarism. 'Socialist' regimes came to power not by revolution but by military and palace coups. New ruling elites were not vanguards of mobilised masses but applied top-down interpretations of socialist structures and ideological concepts. The evolving practice of engaging the state as principle or sole producer did not signify a retreat from capitalism and programmes for social justice were more likely to be motivated by the desire to eliminate opposing power-bases than to genuinely to transform society. Even in Israel, the centre-piece of the workers' economy, the *Histadrut*, acted as employer as much as trade union.

It was true to say that in most cases the new 'ruling class', the bureaucratic bourgeoisie, had not previously been, and initially did not become, an owner of the means of production. Composed of essentially middle-class and upwardly-

mobile lower-middle classes, the bureaucrats could not exert their patronage in the form of directly distributing capital. Instead, they either controlled the means of production or they offered access to channels for making profit: trade licences, access to credit, information, government and state-owned enterprises contracts, and employment opportunities. Either way, the expansion of the state's economic role had initially been a matter of development strategy rather than ideology and, while the bureaucracy was formally committed to the notion of wealth distribution, it increasingly found ways of preventing that distribution in favour of channelling funds into investment.

Since the bureaucracy and its industrial bourgeois elements aspired towards economic development through modernisation and industrial development, the private sector was never entirely excluded from the economic sphere and, as the bureaucrats began to develop into a class of their own, accumulating the spoils of their own power, they too sought investment opportunities and ways to increase their own wealth. Thus they became a bureaucratic bourgeoisie. This was not simply a case of individuals rent-seeking from lucrative deals (although there was undoubtedly an element of that); it was a question of sustaining the role and functioning of the state (and their place within it) even as the funds to do so dried up.

The impact of ISI failure

When the initial ISI strategies began to falter in the Middle East, when growth declined and world recession highlighted its over-dependence on unearned oil-based incomes, regimes turned to the private sector to introduce foreign capital to supplement dwindling national capacities to invest and produce. To avoid the kind of economic crisis which accompanied the growing debts, the balance of payments and fiscal deficits, and in view of its own failure to modernise through industrialisation, the bureaucracy became increasingly reliant on the abilities of the commercial bourgeoisie to provide the appearance of economic success (imports of consumer goods) and the ingredient of finance capital (foreign investment). This could only be done by providing greater freedom for the commercial bourgeoisie to manoeuvre, removing restrictions on imports, foreign investment and private sector activity. Thus the state itself began to provide the momentum for limited economic liberalisation. The bureaucratic bourgeois alliance was expanded to include the commercial bourgeoisie, the traders who imported luxury goods and consumer items, who managed the export deals for the public producers or introduced and channelled the foreign investment capital. These middlemen were both sponsored by, and the beneficiaries of, the transformation of the bureaucracy into a bourgeois class in itself. Indeed, personnel interchanges were as common as between the industrial bureaucracy and the bourgeois bureaucracy and together they gorged themselves on the profits of rent and speculation. Henri Barkey has interpreted this early economic liberalisation as 'the states' elite's desire to broaden the base of their support, especially since the state itself has been unable to resume its traditional role as the engine of growth'.¹⁸

This form of corporatism is thus considered by some to 'have built in

tendencies which make it transitional',¹⁹ the major element of this transitional character being that, while the corporatist nature of the state seeks to undermine potential class-based mobilisation, the bureaucracy's growing relations with the industrial and commercial elements of society reinforces the establishment and consolidation of the bourgeois class.

Early political liberalisation

A problem now emerged for the bureaucratic-authoritarian state. As the state allowed a limited degree of economic liberalisation, the commercial bourgeoisie, and indeed those elements of the bureaucratic bourgeoisie who were pursuing their accumulatory interests, began to demand representation of their interests in political decision making. Reassurance was needed that the state would not simply 'move back in', should it so choose. Moreover, it became clear that economic policy making could no longer be determined by bureaucratic or power-holding considerations, but must be determined increasingly by the rationale of the market if profits were to be made. Thus for both the functional reason of economic necessity, and because the liberalising elements of the bureaucratic bourgeoisie needed to cement their alliance with their commercial counterparts, political liberalising—and what amounts to power-sharing—came onto the agenda. This would be fiercely resisted by those elements of the bureaucratic bourgeoisie who believed that power-sharing represented power-loss and who were more interested in preserving their existing privileges than risking all for accumulatory possibilities.

The most threatened group of all in this situation are the core elements of the single party who recognise that multiplicity of parties means the loss of their own monopoly on power. The state is forced to assert its autonomy from the party, which in turn risks becoming politically redundant. In its efforts to restrain the pace of change, the Party loses any remaining vestiges of reformism. Because the Party and the state have been so intricately interwoven, this process is extremely complex and manifests itself in power-struggles within the ruling elites and regime. The state cannot afford simply to ditch the Party—not only because the Party represents the ideological source of regime legitimacy, but because the Party has provided the route for co-opting society through its position as intermediary between state and corporate groups. Equally, the Party cannot simply dissociate itself from the state. To do so would be to lose its access to power and, since the state is the product of the Party in ideological and personnel terms, the Party would be undermining its own credibility. The level of fusion between personnel in Party and state further complicates matters. The Head of State is usually the Party leader as well, and his key personnel will almost certainly have risen through Party ranks to achieve their position in the bureaucracy. Thus there is a certain element of conflicting interests within the state bureaucracy itself which weakens and destabilises the regime. Some elements of the bureaucracy are themselves threatened by the changes, for example through cuts in public sector manpower and privatisation. The state must therefore rise above itself, with authority and power being vested in a smaller number of hands and with personalities rising to influence over both the

Party and the general bureaucracy. (What are in effect 'change management teams' become a feature of liberalising developing economy elites, with the state facilitating their protection from political pressures).²⁰

The Egyptian *Infitah* is a case in point. The economic *Infitah* of 1974 was accompanied by an apparent political opening. At first the single party, the Arab Socialist Union (ASU), simply evolved into three allowed factions, centre, left and right, which were later allowed to operate as distinct political parties in 1977. The law allowed the formation of new political parties, so long as they were not religiously or class-based; for such parties might be capable of mobilising mass support. Instead, and against the wishes of those corporate organisations like the trade unions who benefited from the corporatist system, the dissolution of the ASU represented the fragmentation of the political party which could have stood in the way of Sadat's economic liberalisation measures. As one commentator notes, 'Sadat, having destroyed the centres of power, now established the power of the centre'.²¹ By ensuring that the president retained most of the powers normally invested in political parties, and that the opposition could not develop in a credible and forceful manner, his apparent move to a multiparty system did not mean a reduction in the power of the state. Nor did it mean the dismantlement of corporatism, merely the decapitation of the corporatist organisations to prevent vested interests from interfering with his economic policy. The commercial bourgeoisie were given new rights to organise and lobby, resulting in the establishment of clubs and organisations such as the Egyptian-US Chamber of Commerce, the Egyptian Businessman's Club and the Federation of Egyptian Industries to defend their interests.²² 'President Sadat's re-modelled political system provided a number of spaces in which private-sector interests could use their influence to affect major policy decisions, notably through the specialised committees of the Peoples' Assembly and the public role assigned to major business groups like the important Egyptian Businessmen's Association with its three representatives on the board of the National Investment Authority'.²³

With their preferential access to the President and his coterie of pro-liberalisation advisors and aides, they were able to advance the *Infitah*. Ironically, it was the labour unions and the working classes which opposed the apparent democratisation, since the new economic policy was not perceived to be in their interests and since their only access to power was through the corporatist system headed by the ASU.

A less drastic strategy was pursued by Chadli Ben Jedid in Algeria. During his first term of office from 1979 to 1984, Chadli introduced limited economic reforms which included encouragement of the private sector to assume a larger role. He proceeded relatively slowly, using the time to remove prominent Boumedienne-ists who opposed restructuring, and transferring power away from the party to the Presidential office. For example, he slimmed down the ruling FLN's Political Bureau—the party's highest organ—from 17 to seven members, transferred some of its functions to himself, allowed a seriously limited political liberalisation that disguised a real clampdown on Berber and Islamic opposition, and appointed sympathetic army commanders to sensitive posts. In effect, he used minor apparent liberalisation and reductions in the power of the FLN to

disguise the increase of his own presidential power, with which he could introduce a more radical economic package in his second development plan.²⁴

In a study of democratisation in Syria, Raymond Hinnebusch presents a version of this argument.²⁵ With the Ba' thist state the principle employer and route for upward mobility for some 40% of the population, a deceleration in economic growth poses serious problems for the state. Unable to sustain direct delivery of economic rewards, the regime is increasingly under pressure to deflect discontent by allowing greater economic and personal freedom, especially for those middle class elements who now seek economic rewards through small-scale private endeavour rather than through a declining state. However, this does not necessarily translate into demands for democratisation, since the middle class has previously been a bastion of Ba' thism, is cut off from the masses and has been denied the opportunity to develop liberal political parties that can challenge the regime through mobilisation. Assad, upon coming to power, had on the one hand apparently liberalised the political system in the form of establishing the Progressive National Front and a multiparty parliament even as he concentrated power in the hands of the presidency.²⁶

As the bureaucratic bourgeoisie accedes to commercial bourgeoisie demands for access to the political pie, the military must assess the impact that this will have on its own interests. It may decide that it too has accumulatory interests which can benefit from a gradual liberalisation (as in the case of Tunisia or Egypt) or, if chaos or a reduction in its own status seems to be the likely impact of political liberalisation, it may choose to intervene (as in Algeria or briefly in Turkey between 1980 and 1983) to halt the process. Its freedom of manoeuvre will depend on the degree to which its interests have been harmonised with that of the ruling regime, the degree to which it has been depoliticised and the potential outcomes of any political liberalisation.

A final point needs to be made regarding this initial move towards some political liberalisation. Modernisation theorists would argue that the process of economic development introduces its own dynamics for political liberalisation. They argue that economic advancement (including technology and better communications, as well as consumerism) brings with it new values of rationality, achievement, long-term perspectives, tolerance and individuality. New political demands are made from populations which a regime must either suppress or fulfil. It is not necessarily the case that modernisation will bring political democratisation, but it may well be the case that it will increase demands for more participation and good and accountable government.²⁷ While this approach has come under fire for its failure to grasp cultural or historical relativities, it is important to bear in mind that the sociopolitical demands of societies are not static but responsive to awareness of alternatives and failures of existing scenarios.

The impact of economic liberalisation on political structures

Once the state has embarked upon the process of economic liberalisation, however restricted this may initially be, it seems that it is impossible to reverse

the process. The impact for the corporatist state is equally momentous. As Richards & Waterbury were to prophesy in 1990:

Perhaps the most profound challenge to solidarism and corporatism will emerge in the general process of streamlining, if not reducing, the degree of state intervention in the economy. The political controls that corporatism affords various regimes will be difficult to maintain if the state begins to cede important economic resources to the private sector.²⁸

It did not take long for observers of Latin America, East and South East Asia, Eastern Europe and even sub-Saharan Africa to notice that the process of economic liberalisation appeared to occur simultaneously with a process of political liberalisation and even democratisation in authoritarian states. One must state from the start that these two concepts are not one and the same:

Political liberalization involves the expansion of public space through the recognition and protection of civil and political liberties, particularly those bearing upon the ability of citizens to engage in free political discourse and to freely organise in pursuit of common interests. Political democratization entails an expansion of political participation in such a way as to provide citizens with a degree of real and meaningful collective control over public policy.²⁹

Nowhere was this trend more evident than in the Middle East. Cynics were quick to point out that while this was often a case of re-democratisation for states elsewhere in the world which had experienced more liberal political traditions in the past, the Middle East did not have such a past to which it could return.³⁰ However, there did appear in the 1980s to be an apparent political opening in much of the Arab world and beyond. Electoral competition made its mark in the 1980s and 1990s—in Egypt, Algeria, Tunisia, Jordan, Morocco, Kuwait, Lebanon, Sudan, Yemen, Turkey and even Islamic Iran. The discourse on political liberalism moved from the realms of academics and non-governmental organisations and appeared to infiltrate government policies in the form of new freedoms for the press, a multiplicity of parties and pressure groups and often surprisingly free elections.³¹

However, and much as the cynics had suggested, no sooner had tentative moves towards democracy begun, than they appeared to be dissolving into reimposed and often reinforced authoritarianism. This reimposition has taken two forms; societies have witnessed on the one hand the withdrawal of formal participatory rights, such as the cancellation of multiparty elections in Algeria in 1991. On the other, civil and human rights have been under renewed attack by the military and security forces in efforts to crush the opposition which has emerged with political liberalisation or social forces unleashed by the economic crisis and the policies of economic liberalisation which have been undertaken to remedy it.

It may seem odd to reimpose authoritarian systems of government so soon after the sprouts of political liberalisation were allowed to blossom. The reasons lie in two principle factors: first, as we have seen, political liberalisation was usually introduced as a strategy whereby economically liberalising elements of the state could further advance their own interests against those of resisting

elements; it was rarely if ever part of a genuine attempt to democratise political society (Jordan may be the closest to an exception here). Thus the strategy could be and was altered as objective circumstances—and regime survival—demanded. Second, that same process of economic liberalisation unleashed social forces which challenged the state itself. In the absence of a well developed civil society, and without established channels for the diffusion of these explosions of popular angst, the regimes were faced with political chaos, instability and a threat to themselves. For the sake of self-preservation—and to resist pressures to alter their economic policies—they used the means available to them, the security forces, to reimpose their authority.

An additional factor was that 'democratisation' had often been shaped, as Ayubi puts it, 'for the Yankees to see'.³² In other words, it was a cosmetic alteration in the structure of power-holding designed to please Western creditors and potential investors. Just as the terminology and polemics of economic liberalisation have been 'borrowed' from the developed world, so the vocabularies of democracy have been adopted by regimes to sweeten the pill of economic reforms. Just as Roger Owen points out the difficulties of measuring the real impact of external pressures and influences on economic reform programmes in developing states,³³ so it is impossible to quantify the real impact of democratic ideology on politically liberalising states.

Political democratisation as a strategy for enhancing elite power

During the last two decades, a number of Arab countries have embarked upon apparent processes of democratisation—establishing an institutional basis for greater public participation in policy making. The form which this takes is almost universally the replacement of the single party system with one of multiple parties, and the introduction of competitive elections between these parties.

For the most part, the change is initiated by a president and his coterie of aides in order to disempower both the existing single party and the bureaucracy relative to themselves. Only thus can they reduce structural resistance to policies which transfer economic management from the state–single party alliance which has dominated it for so long to the new state bourgeoisie–private sector alliance.

Moves towards democratisation are inevitably favoured by the population, giving the president and his elite a new degree of legitimacy in what is otherwise generally regarded as an ideologically bankrupt political environment. This process has been described as 'a new ruling bargain by which popular acquiescence to difficult economic reform is obtained through the creation of a new democratic bargain'.³⁴ This essentially structural analysis has been linked by Guillermo O'Donnell to the rational choice approach, the result being a theory of 'transitions' which highlights the failure of authoritarian regimes to fulfil promises of social justice and their subsequent need to seek support from outside the regime. The success of the strategy hinges on the regime's ability to 'fix' elections and ensure that its own elite will win more than others.³⁵ A comparable and sometimes complementary strategy is to create the impression of popular consultation, formalising democratic bargains through national pacts with poten-

tial opposition parties and interest groups (such as the Tunisian National Pact of 1988).³⁶

In some instances of successor regimes, such as that of Chadli Ben Jedid of Algeria, Anwar al-Sadat of Egypt or Zine el-Abidine Ben Ali of Tunisia, democratisation is a political tool used to mark out new presidents from their authoritarian predecessors and to draw as broad a base of support as possible for alterations in policy direction—notably in favour of economic liberalisation.

This is also a process necessitated in some degree by the need to increase government revenues (as direct and indirect oil rents diminish) through increasing the breadth of the tax base and the efficiency with which it is taxed. Luciani has explained that ‘no Arab state, with the exception of Morocco and to a lesser extent Tunisia, has embarked on significant reform and expansion of its fiscal base for a period of over twenty years. The level of direct income tax collection is ludicrously low in most Arab states in which a personal income tax exists, and in a good number of them such a tax does not even exist’.³⁷

As economic liberalisation has become formalised in structural adjustment programmes, the state has been required to improve its tax-derived resources. It may be easier to impose taxes on imports or indirectly, but these have the effect of distorting prices on the domestic market and undermining the very liberalisation that the state is trying to enact. Thus regularising and extending income tax is a crucial element of most structural adjustment programmes, yet it is surely one of the most politically sensitive and difficult to impose. Income tax directly affects the pocket of the majority of citizens and thus is doomed to be unpopular. To legitimise this aspect of their reform programmes, regimes can only be tempted to spread the blame, as it were, and to seek legitimacy in the guise of ‘taxation with representation’.

The strategy relies to a large extent on the weakness of organised political opposition. Decades of severe repression of opposition limits the ability of opposition parties to mobilise significant parts of the population behind their cause. Indeed, the governments of Syria, Tunisia, Algeria, Egypt and Jordan have been careful to legalise only those parties which offer no real challenge. Communist and leftist parties, abandoned early on in the independence years and often brutally suppressed thereafter, have little ideological credibility in the aftermath of the collapse of the Soviet Union and the submission of communist economies around the world to the capitalist wave. Political parties emanating from the bourgeoisie are unlikely to offer any platform significantly different from that of the dominant previously single party. Their interests will lie in the same policies of economic liberalisation that the government (still officially represented by the former single party) is pursuing. In this case, the introduction of a degree of plurality provides the government with an increased number of people with whom to share the blame for the unpleasant effects of austerity and liberalisation measures.³⁸ Such bourgeois parties may contribute to the deepening of civil society and to restraining the still ‘fierce’ character of the state by emphasising the need to liberalise civil life. Ultimately, however, the fact that they share class interests with the bourgeois state makes them an ally of the state rather than genuine opposition.

An interesting angle to this appearance of liberal bourgeois parties is the fact

that such parties are often the descendants of offshoots of the single party—liberal wings which split off in earlier days over either ideological or personality issues. Thus they are organically linked to the party of independence and their leaders have little credibility with the popular masses. Neither leftist nor bourgeois parties in this emerging democratic environment are mass-based parties with grassroots support. They prove all too willing to cut deals with the regime so as to get a slice of the power pie and offer little or no genuine alternative to the regime.

Now appears one of the paradoxes of this strategy of political democratisation: without a strong single party to negotiate their interests through existing corporate structures, and without credible party-based alternatives replacing the dominance of the single party as a means for articulating dissent from government policies, the people of the country find government more, not less inaccessible. Interests are less mediated and more directly expressed, through criticism of the government in the media, through civil disobedience and demonstrations and eventually even through violent action. The regime, which initiated the strategy of political democratisation as a means of defensive self-preservation, must now either face the challenge and alter those of its policies which incite the resistance or suppress it. The experience of the Arab world has so far been overwhelmingly one of suppression. Thus political liberalisation is reversed—the media are more heavily censored, the police and security services are given more freedom to abuse civil and human rights, political activities are limited or banned and the preceding democratisation is revealed as the illusion it always was. One may fairly say that the ‘fierce’ character of the Arab state is revealed, as are the weaknesses of its institutional and ideological base. Political democratisation does not necessarily lead to or correlate with political liberalisation, although it has been argued that even this limited tactical process of democratisation may have a residual and long-term effect on civil society.

The sociopolitical consequences of economic liberalisation

The heart of the dilemma for liberalising regimes is that the effects of economic liberalisation are felt disproportionately among the population. While there may be popular consensus over the need for reform, there is decreasingly so over the strategy of economic liberalisation, and particularly IMF-negotiated structural adjustment programmes, the benefits of which are usually ‘deferred, uncertain, and diffused’.³⁹ Initial austerity measures result in the cutting of government funds and subsidies. While, as Giacomo Luciani has pointed out, there is no reason why such cuts should automatically be targeted at the poorer sections of society (Arab governments could go a great deal further in cutting military budgets for example), the reality has been that ‘specific austerity measures tied to structural adjustment can be linked to particular eruptions of mass protest’.⁴⁰

David Seddon has demonstrated that the phenomenon of austerity protests has dogged the Middle East and Arab world since the early economic liberalisation programmes of Morocco and Egypt in the 1970s. Moreover, in the absence of

effective ways for protesters to influence government policy making, protests were increasingly directed towards demanding political liberalisation as well as a halt to the more acute austerity measures. In 1977 Sadat's introduction of sudden and dramatic price increases led to a series of riots, an experience repeated (although less violently) in 1984. Morocco, which had experienced widespread opposition to its 1978 three year stabilisation programme, suffered severe social unrest in 1980, 1981 and 1984 in response to attempts to cut government expenditure. The pattern was repeated elsewhere in the Arab world; in Tunisia in 1984, in Sudan in 1985, Algeria in 1988 and Jordan in 1989.

Seddon argues that over the past 20 years, the major shifts in macro-economic policy represented by structural adjustment have generated or sharpened structural contradictions and the potential for social conflict. His 'comparative anatomy of protest' illustrates that the scale of the riots, demonstrations, strikes and marches which have rocked the Middle East has been so large as to make it impossible for regimes to ignore them. Sparked off by price rises of food and basic goods, the more violent riots invoked the language of hunger and poverty. Meanwhile, trade unions would mark their opposition to government policy with strikes and marches, and organised interest groups would lobby through marches and petitions. Opposition to government policies has been widespread throughout both country and population, rather than being confined simply to one element or urban area. The offices of the single party or local government were frequent targets for attack, and in many instances the role of the IMF and World Bank in pushing unpopular policies was explicitly referred to by protesters. Protests are not the result of specific organisations, although leftist and Islamic groups both participate and claim to lead them. In sum, they have been at least semi-spontaneous and mass expressions of popular concern over the impact of structural adjustment upon ordinary lives.⁴¹ As has been argued by others, 'Popular protest is not merely a response to economic and social adversity, it is also a demand for social justice and for renewal of the social contract between state and civil society, in which the role of the state is to ensure the economic and social welfare of all in society'.⁴²

Regimes are faced with a stark choice; to heed the voice of the protesters and slow down or halt the pace of economic liberalisation, or to repress the demonstrations of discontent. In the case of Bourguiba in Tunisia in 1984, he revoked the price rises which had sparked the riots, although this was as much a tactic of internal regime politics as of concern over popular feeling. Likewise, Sadat and Mubarak of Egypt have responded to large-scale demonstrations by allowing them to slow the pace of reform. Egyptian liberalisation has been a zigzag of stops and starts, dictated by the leaders' unwillingness or inability to impose faster changes and sustain stability simultaneously. The Jordanian monarchy was eager in 1989 to demonstrate its concern over public discontent and to appear to be listening to complaints. Yet, while regimes may be prepared—or forced—to take account of popular dissatisfaction with the negative impact of economic liberalisation programmes, and to allow it to dictate the speed of reform, they have not reversed the overall direction of policies and have acted to restrict the space within which genuine opposition can operate. Regimes cannot afford to ignore protest, but nor can they allow it to challenge the state

or their own interests; thus a retraction of liberalisation measures in the political sphere becomes evident.

Transformation of the corporatist state

Daniel Brumberg has stated that Arab states have, by virtue of the reimposition of their authoritarian characters, ultimately excluded themselves from the general trend of transition pacts towards democratisation.⁴³ In most of Latin America, and despite the fragility of such pacts, democratic norms are gradually taking root as the military is increasingly forced back into the barracks. In Eastern Europe and the former Soviet Union, and despite the reassertion of leftist and nationalist forces, political challenges are directed against policy directions rather than against democracy itself. In the Arab world, however, democratic developments are rapidly proving to be illusory and political liberalism is actually in retreat. Apparent democratisation has not reflected a sincere commitment to power-sharing, merely a tactical restructuring of mechanisms for control.

In the case of corporatist bureaucratic bourgeois states, such as Egypt, Algeria, Syria and Tunisia, this is unsurprising. Economic liberalisation creates a restructuring of interests. The nature of the capitalist market is one which distinguishes between the owner of the means of production and the means of production itself (including labour). In other words, the position of one citizen *vis-à-vis* another, and of the citizen *vis-à-vis* the state is determined by his or her relations to capital, to the means of production and ultimately by source and extent of income. When the nation's productive resources are concentrated increasingly in the hands of the private sector, as opposed to the public sector, income distribution and standard of living are determined less by social justice and principles of equitable distribution than by status in the hierarchy of capital. Social stratification is increasingly horizontal. Citizens identify less with functional differentiation than with socioeconomic differentiation—especially since the process of economic liberalisation affects different socioeconomic strata to different extents. Put simply, previously weak and fragmented class interests begin to deepen and consolidate.

Such class interests are not immediately evident, since the citizen will initially seek to improve his or her lot relative to others and in absolute terms through the established vertical structures for interest mediation; ie, through his functional interest group structure. However, these structures become decreasingly efficient for two reasons. First, the interest group itself begins to fragment. A wealthy land-owning member of an agriculturalists' organisation will have less in common with a landless tenant farmer or an agricultural trade union worker as he becomes more interested in new opportunities for profit, new possibilities for exporting overseas and reducing costs through removal of labour protection laws. Industrialists will cease to see their interests as lying in the same organisation as their factory workers when losing subsidies forces them to make redundancies. Women who find themselves channelled into low-paid factory work will have less in common with middle-class professional women who are part of the process which exploits the formers' labour.

Second, as we have seen, the state increasingly transfers its functions and

powers away from the single party, either through the centralisation of powers and/or through partial democratisation. It may even decentralise power away from central party organisms to weaken party control as opposed to its own. The single party loses its intermediary function and no longer operates effectively to channel interests through to the state mechanisms. No other intermediary replaces the party, since newly legalised political parties are neither mass representative parties nor entirely distinct from the state and previous single party. Opposition to state policy on behalf of interest groups is now expressed more directly, through criticism of the state, through demonstrations, strikes, protests and even riots. Although the state may take heed of grievances and allow them to slow the process of economic change, it will not deviate from the overall direction of that change since it is in that direction that its own interests and survival lie. Thus it has little option but to reimpose its authoritarian nature and repress popular opposition. Opposition which takes place outside the sphere of the supposedly legitimate competitive party system is declared illegitimate, disruptive and detrimental to the security and stability of the country.

The social groups which suffer most from economic liberalisation in the short term, the working and lower-middle classes who face growing unemployment, rising prices, new tax impositions and reduced social and welfare provisions, are alienated and excluded from the political system, indicating the disarticulation of the corporatist model. If the legal political parties fail to develop into genuinely representative bodies in a functioning democracy, and with the redundancy of the previously dominant single party and interest group structures, there remains a vacuum in terms of viable political structures which is filled increasingly by political chaos and a government response of authoritarianism.

A state which can make economic liberalisation work speedily enough to supply a general increase in living standards may be able to contain opposition within an existing competitive political system without facing real challenges to itself. Those Middle Eastern states which maintain their essentially rentier characteristics are unlikely to be able to do so and authoritarian responses to the breakdown of the corporatist system will lead to social chaos and severe regime instability. The strategy of economic liberalisation as a means for regime survival as the state consolidates its bourgeois class interests clearly carries with it major political risks as well as opportunities. It requires a complex political and economic balancing act, as well as the confident support of the military. It also requires that the party of the regime is subordinated to, rather than the partner of, the state. It remains ultimately supportive of the regime, even as its powers diminish, since its ideological bankruptcy and political history make it dependent upon the alliance for its own political survival.

Creating space for political Islam

One final feature of the disarticulation of corporatism in the Middle East is the tendency of political Islam to fill the political vacuum described above. In the Muslim Middle East, the secular state's inability to overcome the endemic crisis prevalent in society has produced its own anti-thesis: protest in the form of political Islam.⁴⁴ Islam offers an inclusory community for those who not only

find their interests threatened by economic liberalisation but find political structures increasingly inadequate for the expression of their fears. Even as formal vertical political structures become increasingly ineffective, so traditional informal social structures also come under threat from the intrusive cultural impact of Western companies and their brand names, Western models of organisation, management and progress indices, and unfamiliar divisive forces that arise from economic competition. Capitalist production bombards and eventually socially and economically fractures supportive extended family units, so vital to the renewal of Muslim cultural values.

Islamic political movements offer a cultural familiarity that resounds with local authenticity and which offers membership in a classless, national social movement, stressing the virtues of social justice (not so different from the early populist state). Islamic political movements have used the language of their opposition to the so-called 'Coca Cola culture' syndrome to voice the protest of those disempowered by authoritarianism and economically disadvantaged by economic liberalisation and thus to challenge the regimes of the Middle East. They differentiate themselves from both state and co-opted secular opposition parties alike by asserting a religious mandate which places economic considerations second to social preservation and which offers an entirely alternative but historically familiar form of political organisation to one which is perceived by many to have so drastically failed.

It would seem then that, for the moment, the deterministic view of those who argue that economic and political liberalism are joined at the hip has proved premature. Paul Starr was more correctly prophetic when he concluded that: 'Even those of us who take satisfaction in the remarkable rebirth of civil society in the East and revitalisation of the liberal state in the West ought to know that this is only another season of our passions and not history's last stop'.⁴⁴

Notes

¹ Elsewhere, in South America for example, it was not the process of winning independence from colonial masters which provided the impetus for change but the political crisis which arose from the depression of the 1930s and the failure of traditional norms for engaging in international trade to ensure the prosperity of most or all social classes.

² See discussion of bureaucratic authoritarianism in John Waterbury, *The Egypt of Nasser and Sadat*, New Jersey: Princeton University Press, 1983, pp 3–20.

³ Nicos Poulantzas, *L'Etat, le pouvoir, le socialisme*, Paris: PUF, 1978; and Ralph Miliband, *Class Power and State Power*, London: Verso, 1983. Other writers have asserted that the bureaucracy increasingly represents bourgeois interests. When they are the dominant class they may choose to abandon state mechanisms and advance democratic structures, or simply concentrate on the authoritarian elements of the state to protect their position. This theme has been advanced by writers such as Fuad Mursi, Ben Romdhane and Michal Kalecki, while John Waterbury would argue that the state bourgeoisie in the Middle East has demonstrated that, rather than being a bourgeoisie in transition, it is determined to retain as much power as possible through control of the state.

⁴ For example, the Ba'th in Syria and Iraq, the FLN in Algeria, the Neo-Destour in Tunisia and the National Union (later the ASU) in Egypt.

⁵ Alan Richards & John Waterbury, *A Political Economy of the Middle East, State, Class and Economic Development*, Boulder, CO: Westview Press, 1990, p 337.

⁶ Elizabeth Picard, 'State and society in the Arab world: towards a new role for the security services', in

- Bahgat Korany, Paul Noble & Rex Brynen, eds, *The Many Faces of National Security in the Arab World*, London: Macmillan, 1993, pp 258–274.
- ⁷ Nazih N Ayubi, *Over-stating the Arab State: Politics and Society in the Middle East*, London: IB Tauris, 1995, p 3.
- ⁸ Ian Roxborough, *Theories of Underdevelopment*, Basingstoke: Macmillan, 1979, p 123.
- ⁹ See Halim Barakat's summary of the works of Hanna Batatu and Philip Khoury (among others) in *The Arab World: Society, Culture and State*, Berkeley, CA: University of California Press, 1993, pp 75–78.
- ¹⁰ *Ibid.*, p 95.
- ¹¹ Ayubi, *Overstating the Arab state*, p 3.
- ¹² Patricia Springborg has given evidence of large and impersonal bureaucracies existing in Mesopotamia and in ancient Egypt as far back as the second and third millennia BC. See 'The origins of liberal institutions in the ancient Middle East', in Tim Niblock & Emma Murphy, eds, *Economic and Political Liberalization in the Middle East*, London: British Academic Press, 1993, pp 26–40.
- ¹³ James Bill & Carl Leiden, *Politics in the Middle East*, Boston: Little, Brown, 1984, pp 74–97.
- ¹⁴ The extreme version of this argument might be the so-called 'mosaic approach' posited by analysts such as Carlton Coon, who deny the relevance of class analysis at all in the Middle East, arguing that the categories of sect, tribe, ethnic group, village and region are the keys to understanding Arab social organisation.
- ¹⁵ Bill & Leiden, *Politics in the Middle East*, p 77.
- ¹⁶ John Waterbury, *The Egypt of Nasser and Sadat: The Political Economy of Two Regimes*, Princeton, NJ: Princeton University Press, 1983, pp 14–15.
- ¹⁷ *Ibid.*, p 338.
- ¹⁸ 'Introduction' in Henri Barkey, ed, *The Politics of Economic reform in the Middle East*, New York: St Martin's Press, 1992, p 6.
- ¹⁹ Tim Niblock, in Niblock & Murphy, eds, *Economic and Political Liberalisation in the Middle East*, p 57.
- ²⁰ Joan Nelson, 'The politics of economic transformation: is Third World experience relevant in Eastern Europe?', *World Politics*, Vol 45, No 3, 1993, p 436.
- ²¹ Waterbury, *The Egypt of Nasser and Sadat*, p 367.
- ²² Gorm Rye Olsen, *Political Power and Economic Change in the Arab World*, Copenhagen: Centre for Development Research, 1994, p 84.
- ²³ Roger Owen, *State, Power and Politics in the Making of the Modern Middle East*, London: Routledge, 1992, p 144.
- ²⁴ Emma Murphy, 'The initiation of economic liberalisation in Algeria, 1979–1989', in Gerd Nonneman, ed, *Political and Economic Liberalization: Dynamics and Linkages in Comparative Perspective*, Boulder, CO: Lynne Rienner, 1996, pp 181–199.
- ²⁵ Raymond Hinnebusch, 'Democratization in the Middle East: the evidence from the Syrian case', in Nonneman, ed, *Political and Economic Liberalization*, pp 153–169.
- ²⁶ Volker Perthes, *The Political Economy of Syria under Assad*, London: IB Tauris, 1995, pp 135–139.
- ²⁷ Bill & Leiden, *Politics in the Middle East*, pp 9–37.
- ²⁸ Richards & Waterbury, *A Political Economy of the Middle East*, p 351.
- ²⁹ Rex Brynen, Bahgat Korany & Paul Noble, 'Introduction: theoretical perspectives in Arab liberalisation and democratisation', in Brynen, Korany & Noble, eds, *Political Liberalization and Democratization in the Arab World*, Boulder, CO: Lynne Rienner, 1995, p 3.
- ³⁰ See, for example, Lisa Anderson, 'The prospects for democracy in the Arab World', in Martin Kramer, ed, *Middle Eastern Lectures Number One 1995*, Jerusalem: The Moshe Dayan Centre for Middle Eastern and African Studies, 1995, pp 59–71.
- ³¹ The origins of this apparent infiltration of liberal political norms into Arab society have been hotly debated. The debate has progressed into one about the relative impositions of culture upon political society and whether supposedly 'Western' liberal political practices are foreign impositions upon and alien to the Arab world. Patricia Springborg has argued that liberal political institutions, which included representative features, were alive and kicking in the ancient Middle East and these traditions have continued through institutions such as the *majlis* and *masjid*. Some writers have argued that Islamic principles of *shura* provide the channel for obligation and accountability on the part of rulers, while others have argued that Arab and/or Islamic values are basically incompatible with democratic practice (emphasising Islamic belief in divine rather than popular sovereignty for example). For a comprehensive survey of the cultural aspects of the debate see the chapters by Michael Hudson and Lisa Anderson, in Brynen, Korany & Noble, *Political Liberalization and Democratization in the Arab World*.
- ³² Ayubi, *Overstating the Arab State*, p 411.
- ³³ Owen, *State, Power and Politics in the Making of the Modern Middle East*, p 140.
- ³⁴ Daniel Brumberg, 'Democratic bargains and the politics of economic stabilization: the case of Egypt in comparative perspective', paper presented to the 1989 MESA annual conference, pp 1–2.
- ³⁵ See Daniel Brumberg, 'Authoritarian legacies and reform strategies', in Brynen, Korany & Noble, eds, *Political Liberalization and Democratization in the Middle East*, pp 229–259.

- ³⁶ Dirk Vandewalle, 'Ben Ali's new era: pluralism and economic privatization in Tunisia', in Barkey, ed, *The Politics of Economic Reform in the Middle East*, pp 105–128.
- ³⁷ Giacomo Luciani, 'Resources, revenues, and authoritarianism in the Arab World: beyond the rentier state', in Brynen, Korany & Noble, eds, *Political Liberalization and Democratization in the Middle East*, p 217.
- ³⁸ Ayubi, *Overstating the Arab State*, pp 1–2.
- ³⁹ Nelson, 'The politics of economic transformation', pp 433–462.
- ⁴⁰ Luciani, 'Resources, revenues, and authoritarianism in the Arab World', p 215. Luciani points out that this does not, however, usually result in fundamental political instability.
- ⁴¹ David Seddon, 'Austerity protests in response to economic liberalization in the Middle East', in Niblock & Murphy, *Economic and Political Liberalization in the Middle East*, pp 88–112.
- ⁴² Brumberg, 'Authoritarian legacies and reform strategies', p 329.
- ⁴³ See Anoushiravan Ehteshami, 'Islamic fundamentalism and political Islam', in Richard Little, Michael Smith & Brian White, eds, *Issues in World Politics*, London: Macmillan, 1996.
- ⁴⁴ Paul Starr, 'The new life of the liberal state: privatisation and the restructuring of state–society relations', in Ezra N Suleiman & John Waterbury, eds, *The Political Economy of Public Sector Reform*, Boulder, CO: Westview Press, 1990, pp 22–54.