The Arab World Poised between Revolution and Repression

Christian-Peter Hanelt
Bertelsmann Stiftung, christian.hanelt@bertelsmann-stiftung.de

Michael Bauer
Ludwig-Maximilians-University Munich, michael.l.bauer@lrz.uni-muenchen.de

The Arab Spring must not be allowed to run out of steam. The sheer staying power of the old regimes and important social issues are threatening to slow down or even to stifle the revolutions, rebellions and nascent reforms. It is time that Europe flexed its political muscles.

I

Dignity, Freedom and Justice

What began a mere six months ago with the self-immolation of Mohamed Bouazizi, a street vendor in the town of Sidi Bouzid in Tunisia, has developed into a middle-class protest movement which in virtually every Arab country has demanded dignity, political, social and economic participation, responsible governance and the rule of law, and has thus challenged the authoritarian government structures that have existed for decades. The dynamic nature of the Arab Spring has called into question a number of assumptions about the region which used to be considered immutable and indeed incontrovertible. Thus Arab countries were deemed to be immune to reform since their political leaders—no matter whether they were monarchs or presidents—were in a position to rule unchallenged and could rely on their security forces if it came to the crunch. Furthermore, many observers were very surprised by the secular character of the protest movements. Most people believed that only religious groups were politically organized, whereas the conventional wisdom ascribed to the “Arab street” a kind of political lethargy which stood in the way of all types of revolutionary activity. Although the Arab Spring has spread throughout the region, the things which have happened in the various countries are significantly different, and have veered between revolution, repression, evolution and maintenance of the status quo.
II

Between Revolution and Evolution

In the aftermath of their successful middle-class revolutions Tunisia and Egypt are caught in a dilemma. It takes time to consolidate new party systems, draft new constitutions, organize roundtables and prepare for free elections. On the other hand, the police, the bureaucracy, the business community and investors urgently need a legitimate and stable government. The transitional period is a difficult and uncertain phase in which the staying power of old regimes slowly helps them to recover lost ground. That is why young people are once again taking to the streets in Tunis and Cairo.

To varying extents and with a number of different strategies based on repression and violence, the rulers in Libya, Syria, Yemen and Bahrain have attempted and are still attempting to suppress the citizens’ protests. An opportunity to team up with the opposition in order to forge an enduring political, social and economic transformation now exists, if at all, only in Bahrain. Despite months of peaceful mass demonstrations and a reconciliation plan drawn up by the Gulf Cooperation Council, Yemen’s head of state, Saleh, refuses to compromise and has reacted with the use of violence. If he really does return to Sana’a after completing his medical treatment in Saudi Arabia, the internal political situation will simply continue to escalate. In Syria the Assad clan, which has the support of the Iranian regime, is suppressing the protest movement with a massive use of force. The West is trying to respond to this by imposing sanctions and enlisting the support of the UN Security Council. Soldiers who no longer wish to shoot at their own people are making the regime nervous. The no-fly zone decreed by UN Resolution 1973 has protected the free part of Libya against Gaddafi’s mercenaries and soldiers. It is only a matter of time before the dictator and his sons are toppled. After enduring 42 years of dictatorship Libya is now faced with profound transformation challenges. In the east of the country around the city of Benghazi, change has already begun in a hopeful way.

In contrast to this the monarchs of Morocco, Jordan and Oman have reacted in a constructive way to the peaceful demonstrations by their citizens and have announced that they intend to introduce fairly sweeping reforms. Oman’s Sultan Qabus and King Abdullah II of Jordan continue to act in a reticent and circumspect manner, although on account of their popularity and political legitimacy they could well follow the example of Morocco. King Mohammed VI has asked a constitutional reform commission to listen to all of the societal and political groups and to draw up proposals for reform. These are going to be put to the vote in the course of summer. Morocco may well become a model of political change that is supported by both the king and the opposition. However, this will require greater involvement by the “20th February Movement” and willingness on the part of the king to move towards a parliamentary monarchy.

The democratic structures in resource-rich Iraq are largely of an institutional kind, and are of only limited use in political terms. Despite the presence of ethnic and religious tensions, the country possesses the potential to evolve on the basis of democratic principles. However, if this is to happen, the political parties will have to shoulder greater responsibility for the good of the whole country and help to rein in the horrendous level of corruption. If they manage to do this, then the social problems can be dealt with and the security situation will improve.

Saudi Arabia, Qatar, the United Arab Emirates (UAE) and Algeria, which are also resource-rich countries, are attempting to preserve the status quo and to counter opposition demands by distributing money among the population and by introducing minor reforms. In Algeria young people are especially unhappy about their bleak prospects. However, the memories of the bloody civil war in the 1990s are very much alive, and are the reason why the
protests have tended to be low-key. On the other hand, with their large-scale and ongoing investment in education and infrastructure Qatar, the UAE and Saudi Arabia have laid a sustainable foundation for the socioeconomic future of their societies. On account of the large numbers involved, Saudi Arabia simply cannot afford to ignore the fact that its young people want a greater degree of freedom. This poses a great challenge for the Saudi monarchy and the religious establishment. Since financial resources will also be available in the foreseeable future, there is sufficient potential for an enduring transformation. However, the process of political and societal liberalization must now get under way.

III URGENT SOCIAL ISSUES

In the protest movements the demands for political reform are inextricably linked with socioeconomic motives. The absence of economic development prospects and a regional average unemployment rate among youths and young adults of 30 percent are also potential sources of unrest. The deficits on all levels of the educational system, the dependence on specific economic sectors and the omnipresent graft and corruption constitute additional challenges for all of the countries in the region. Various international surveys, e.g. the United Nations “Arab Human Development Report,” the “Bertelsmann Transformation Index” and the Transparency International “Global Corruption Perception Index” have often pointed to these deficits.

In order to procure and to retain employment opportunities for their citizens, these states will have to strengthen the economic sectors in which they have an undeniable competitive edge over Europe. In many places this is primarily true of agriculture. In the medium term positive economic progress and socioeconomic moder-
nization can be achieved only if there is greater diversification in the economy as a whole. This is true of the resource-poor countries in the Arab world, and also of the resource-rich states, which have to plan ahead for a time when oil and gas revenues are a thing of the past.

Although there are many different starting points, the issue for the Arab states is now to promote the development of a consumer and capital goods industry and a services sector. The success or otherwise of such a project hinges on a large number of factors. Improvements in the area of vocational training and further education are of crucial importance, as are measures designed to promote economic cooperation and market liberalization within the region. And finally, what is needed more than anything else is a political and legal framework which will enable the private sector to develop new economic projects. The future of the Arab world belongs to entrepreneurs with a sense of social responsibility, and not to people such as Rami Makhlouf, the brother-in-law of the Syrian dictator Assad, who uses his illegitimate political power in order to exercise monopolistic control over the economy.

In fact, proactive policymakers have turned their attention to Tunisia and Egypt, which are transformation countries, and to states where the governments have promised to introduce reforms. Within the G8 framework the West has also put together financial assistance packages amounting to billions of dollars. Enough money seems to be readily available, and the question is how, for what purposes, with whom and when assistance can be afforded in the most effective way.

Tunisia and Egypt need short-term budget assistance in order to compensate for the steep decline in revenues from tourism. Furthermore, in the context of their new political systems there is a need for assistance as they prepare for and conduct the elections which are due to be held in both countries, and for additional support for the reforms being introduced in their political institutions. Assistance of this kind must also be made available to other reform-minded states in the region. The strategy papers "Partnership for Democracy and Shared Prosperity with the Southern Mediterranean" and "A new response to a changing Neighbourhood" offer the right kind of framework for a reorientation of the European Neighbourhood Policy (ENP). In this context one should emphasize the political differentiation rule, the positive conditionality approach, and the "more for more" principle. It is important to give robust support to those who not only announce reforms, but also implement them in a determined manner. For the EU this means the cooperation agreements that are going to be concluded will not only name projects, but will also have to specify clear-cut targets. This will make it
possible to measure the progress that has been made in the implementation of political reforms, e.g. in the areas of the rule of law, the freedom of the press, and the fight against corruption.

In order to organize an effective partnership with civil societies in the countries from Morocco to Saudi Arabia, and not to ask for more from partners in the area than is humanly possible, the EU should set up a kind of **Marketplace of Ideas** where public donors, private initiators and NGOs can exchange views and then approach partners in the region in a targeted and coordinated manner. At the moment too many donors who wish to provide assistance are throwing themselves at a handful of NGOs, which find it difficult to sort out the various different project ideas. These could perhaps be aggregated in various areas such as training journalists, setting up associations and political interest groups, dealing with the bitter legacy of the past, or even city partnerships across and along the Mediterranean.

European support for the economic consolidation and socioeconomic modernization of the region will be just as important for the sustainability of the political changes.

For example, apart from financial assistance and debt relief the EU could have a direct impact if it were to do more to open its internal market for **agricultural products** from North Africa and the Middle East. In this sector the states in the region possess a competitive advantage. Furthermore, agriculture provides urgently needed employment opportunities. In order to comply with the principles of economic and ecological sustainability, Europe should also offer to help its southern neighbours to organize their agricultural production methods more effectively and in an environmentally friendly manner, e.g. through a more efficient use of water and soil.

In the medium term it will also be important to help the states in the region to diversify their economies, especially in the industrial and services sectors. In particular there is a need for measures designed to improve access to education and training, to create job opportunities for qualified applicants, and to strengthen small and medium-sized enterprises (SMEs). This can be done through assistance loans or cooperation projects as envisaged within the framework of the Union for the Mediterranean or the ENP. Projects such as the **Mediterranean Solar Plan** or the private Desertec initiative can make a contribution to providing for the energy needs in the region, and can also create employment opportunities and generate added value. Of special importance will be the participation of the private sector locally and in Europe.

In addition to measures designed to strengthen structures in the region itself, greater importance should be accorded to concepts such as **circular migration** and easier access to Europe for entrepreneurs, students and skilled workers. Such projects would make a contribution to mastering the demographic challenges to the north and to the south of the Mediterranean, and to building bridges between societies and civilizations. Moreover, they could have an enduring effect on the North African labour markets if, after returning to their countries of origin, migrants were helped to develop business ideas of their own and thus to create employment opportunities and prosperity.

In the coming months it will become apparent whether or not the political changes of the Arab Spring are of an enduring nature. The challenges which now confront the members of the reform movement and their international suppor-
ters are immense and manifold. The debate on Libya shows that the US is going to be rather selective about where in the region it decides to become involved. This means that the Europeans will have to accept more responsibility for their southern neighbourhood and in political terms to act in a visible and united manner. In its dealings with Arab governments in particular the EU must make a point of insisting on democracy, the rule of law and human rights. European policymakers will now have to strike a new balance between interests and value orientation in the EU’s neighbourhood policy. Furthermore, it is imperative to honour promises of financial assistance. And the long-awaited liberalization of the European agricultural market and the simplification of visa applications must come about as quickly as possible.

Those who are determined to introduce reforms should be given additional support on the basis of the “more for more” principle. On the other hand, the EU must respond more forcefully and much earlier in political terms to those who continue to use violence against the opposition and their own people, e.g. by imposing entry bans and by freezing bank accounts.

The fact that the upheavals in the Arab world are swift and unpredictable occurrences means that individual EU member states cannot provide immediate assistance to all of the Arab countries. The nation-states simply do not have enough resources. For this reason the 27 member states should reach agreement on new forms of effective coordination and on a division of labour, harking back in the process to the positive experience of the

North Africa, Middle East and the Gulf: Important Events, June 2011 until January 2012

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2011</td>
<td>Forming of a new government in Turkey</td>
</tr>
<tr>
<td>June 2011</td>
<td>German Bundestag has to vote on the UNIFIL mandate in Lebanon</td>
</tr>
<tr>
<td>29th June</td>
<td>UN Security Council votes on the UNDOF mandate in the Golan Heights</td>
</tr>
<tr>
<td>1st July</td>
<td>Poland takes over EU presidency in coordination with Denmark and Cyprus</td>
</tr>
<tr>
<td>9th July</td>
<td>Creation of an independent state of South Sudan</td>
</tr>
<tr>
<td>14th July</td>
<td>3rd anniversary of the Union for the Mediterranean</td>
</tr>
<tr>
<td>July 2011</td>
<td>Beginning of the withdrawal of U.S. troops from Afghanistan</td>
</tr>
<tr>
<td>July 2011</td>
<td>Paris II Conference on the Israeli-Palestinian Conflict</td>
</tr>
<tr>
<td>July 2011</td>
<td>UN Security Council votes on the UNAMID mandate in Darfur, Sudan</td>
</tr>
<tr>
<td>Summer 2011</td>
<td>Constitutional referendum in Morocco</td>
</tr>
<tr>
<td>22nd September 2011</td>
<td>Municipal elections in Saudi Arabia</td>
</tr>
<tr>
<td>September 2011</td>
<td>Parliamentary elections in Egypt</td>
</tr>
<tr>
<td>September 2011</td>
<td>UN vote on Palestine</td>
</tr>
<tr>
<td>23rd October</td>
<td>Election of the Constitutional Assembly in Tunisia</td>
</tr>
<tr>
<td>November 2011</td>
<td>International conference on the future of Afghanistan in Bonn</td>
</tr>
<tr>
<td>December 2011</td>
<td>Presidential elections in Egypt</td>
</tr>
<tr>
<td>December 2011</td>
<td>Summit of the Gulf Cooperation Council (GCC) in Riyadh</td>
</tr>
<tr>
<td>31st December 2011</td>
<td>Withdrawal of US troops from Iraq</td>
</tr>
<tr>
<td>1st January 2012</td>
<td>Denmark takes over EU presidency in coordination with Poland and Cyprus</td>
</tr>
</tbody>
</table>
transformation in central and eastern Europe. For example, when it comes to organizing the transformation partnerships with reformist countries to the south, three EU countries could be given the task of looking after a single Arab country. The Council of the European Union should coordinate such partnerships in order to ensure that there is a coherent overall approach. The forthcoming Polish EU Presidency has already announced that it intends to promote the process of reshaping Europe’s relations with its Mediterranean neighbours.

A glance at forthcoming events in the Middle East during the next six months which are included in the timeline shows even at this stage that, in addition to the challenges of the transformation process, the situation in Lebanon, the problems in Sudan and the ongoing Israeli-Palestinian conflict contain so much potential for confrontation that the EU clearly ought to keep them under review. Thus the proposals for a coordinated division of labour are eminently sensible, and they highlight the fact that the EU needs to re-examine all of its southern policies.

For Further Reading


United Nations development Programme: Human Development Reports.

Transparency International: 2010 Corruption Perceptions Index.

Bertelsmann Stiftung (ed.): Transformation Index 2010. Political Management in International Comparison, Guetersloh, 2010


Responsible

Bertelsmann Stiftung
Carl Bertelsmann Straße 256
D-33311 Gütersloh
http://www.bertelsmann-stiftung.de

Dr. Dominik Hierlemann
dominik.hierlemann@bertelsmann-stiftung.de
Telefon +49 5241 81 81537

Joachim Fritz-Vannahme
joachim.vannahme@bertelsmann-stiftung.de
Telefon +49 5241 81 81421

ISSN 1865-7451

Latest editions:

spotlight europe # 2011/02
Who’s next? The Eurozone in an Insolvency Trap.
Robert B. Vehrkamp

spotlight europe # 2011/01
Was kann die EU für Nordafrika tun?
Christian Hanelt, Almut Möller

All editions of the spotlight europe can be downloaded from:
www.bertelsmann-stiftung.de/spotlight